THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, FEBRUARY 27, 1937 | 10c a Copy; $5.00 a Year | No. 9

The Nation's Business

- War Preparations Create Illusory Prosperity
- Aberhart's Pathway Clearly Charted
- Will He Take It?
- Bank of Canada Head Speaks on Debts
- We Must Start Soon to Repay

No Prosperity In Armaments

HITLER ended or concealed unemployment in Germany by several measures, chief of which was a programme of rearmament. But he has left Germany financially vulnerable and he has reduced the standard of living of his people. They have guns but no butter.

Great Britain made prodigious efforts to balance its budget, to reduce taxation and to regain its place in export trade. All of these things it is willing to put in jeopardy to achieve military security. The great rearmament programme will create many jobs and it will give Britain a further temporary renewal of prosperity. But the wise Briton does not delude himself that rearmament means a higher standard of living. Rt. Hon. Neville Chamberlain, Chancellor of the Exchequer, who introduced the armaments programme into the House of Commons was the first to regret that carrying out the effort must, in the long run, bear heavily upon all the people. He said:

> "As I watch the figures mounting up, as I reflect upon the growing cost of maintenance of this vast panoply when we have completed it, I cannot help being impressed by the incredible folly of civilization, which is piling these terrible burdens on the shoulders of the nations—burdens which, if something is not done to reduce them, are bound to pull down the standard of living for a generation to come."

* * *

LAST WEEK the Canadian Parliament debated at great length a resolution deploring Canada's increase—and it was a comparatively modest increase—in defense expenditures. The resolution quite properly hinted that the money so spent could, in other circumstances, have been better spent in providing for the extension of social security in Canada. The resolution was voted down but a great many of those who cast their votes against it must have regretted that it was necessary for Canada to join, however modestly, in a world-wide armaments race that is indeed an "incredible folly."

The resolution "viewed with grave concern" the startling increase in armaments expenditures. The Prime Minister, who led the attack against the resolution on the ground that it was a vote of want of confidence in the government, did as Mr. Chamberlain did; he deplored the expenditures while reluctantly admitting their necessity. He said:

> "We all view with grave concern increases in expenditures for purposes of defense, but that is only a reflection of the concern which world conditions have created in the minds of people in all countries throughout the world."

* * *

THERE IS no reason for anyone to feel particularly happy about the fact that this country can afford new cruisers and new mechanized artillery units but cannot afford unemployment insurance or state health insurance or an adequate programme for providing low-cost homes. But by the same token we would be all better off if we did not have to "waste" money on police forces and fire departments; if people bought books or supported symphony orchestras instead of buying excessive amounts of liquor.

In a world where madmen rule, no country can maintain itself as a private and secure Garden of Eden and so Britain and Canada have to arm themselves for any fray. But let us not be so shortsighted as to assume that such is the way to prosperity, to re-employment, to a higher standard of living. It is narcotic stuff that gives a temporary stimulus to business and leaves a long lingering moral and economic decadence as its continuing effect.

* * *

Aberhart Now Has a Way Out

THE Alberta Reduction and Settlement of Debts Act, dealing with interest on mortgages and other debts, has been declared ultra vires by the supreme court of the province.

Similar treatment has been meted out by the court to the Provincial Securities Interest Act which arbitrarily reduced interest on Alberta bonds.

In some quarters there is a tendency to regard these two decisions as a death-blow to Canada's first Social Credit Government.

Actually, however, they provide Premier Aberhart with an excellent opportunity of rendering a great service to the Province of Alberta. He is now in a position to retrace his steps and to restore the credit and finances of the province by sound and orthodox measures.

When the Dominion Government

(Continued on page 2, col. 3)

Drouin Breaks With Duplessis On Electricity

Cabinet Member Resigns to Force Action on Hydro Policy

INSURGENTS GAIN

From Our Own Correspondent

MONTREAL.—Differences of opinion concerning policies of the Duplessis Government, particularly regarding the setting-up of a provincial hydro-electric system along the lines of the Ontario Hydro-Electric Power Commission, has caused Hon. Oscar Drouin, Minister of Lands and Forests to resign his portfolio. He also has tendered his resignation as chief organizer of L'Union Nationale, the Government party.

While Mr. Drouin has not made public his future plans, it is expected that he will assume the leadership of the Hamel-Gregoire group which is expected to control from 12 to 15 votes in the Legislative Assembly. This is in line with forecasts made by The Financial Post on Jan. 9, in which it was stated that a third party was in prospect for Quebec, centred around the Hamel-Gregoire faction.

It has been known for some time that sharp differences of opinion existed between Premier Duplessis and some of his followers. Mayor J. E. Gregoire, representing Montmagny and J. E. Hamel, member for Quebec Centre, have been particularly outspoken in their criticism.

Follows Middle Course

Premier Duplessis, since his election to power, has made a number of changes but has shown a tendency to follow the middle course rather than adopt some of the extreme policies advocated by the Hamel-Gregoire group, who are especially antagonistic to the "power trust." The Premier and a majority of his cabinet do not favor the immediate setting-up of a hydro commission and for that, and other reasons, Mr. Drouin withdrew from the Government.

Trouble has been brewing at Quebec for some time for early in the month Mr. Drouin wrote a long memorandum to Hon. Maurice Duplessis urging him to fulfill certain reforms which he considered essential planks in L'Union Nationale programme.

Reason for Break

An immediate enquiry into the "gasoline trust" was also urged by Mr. Drouin, with a view to finding out "the best methods of fighting it in order to re-establish the business and again place it in the hands of our own people from this province."

Replacement of the Legislative Council by an economic council was also advocated by the National Party, and the Premier's lack of action in this regard irked Mr. Drouin.

Another problem which Mr. Drouin thought should have had the early attention of the Government had to do with the debts of the municipalities. He claims that members of the National Union Party favored freeing the municipalities of the cost of unemployment and direct relief without waiting on Ottawa.

Power Policy Paramount

The greatest difference of opinion, however, between Mr. Drouin and the Government, and also between other members of the National Union Party and the Government, had to do with the electricity programme.

Mr. Drouin and members of the Hamel-Gregoire group favor:

1. State competition with the privately-owned companies;
2. Creation of a power commission along the lines of the one in Ontario;
3. Placement of all available non-conceded water powers at the disposal of this organization;
4. Immediate return to the Crown of all water powers ceded but not yet developed; and
5. Giving the proposed commission authority to expropriate water power which has been developed, if necessary.

Highlights

Press Silence

Beverley Baxter tells why British press voluntarily hushed up the Mrs. Simpson affair until the lid blew off. Page 13

B. N. A. Act Renovation

Ottawa plans complete revamping of Canada's constitution in accordance with modern developments. Page 13

Salvaging the Prairies

Will another series of dry years reduce the southern prairies to desert? Not if western agriculture is reorganized. Page 12

Cheap Housing

Dominion Government believed on eve of launching low-cost housing plan as partial substitute for relief. Co-operation of municipal and provincial authorities to be asked. Page 8

Mines Surveyed

Reviews of the various camps, general articles, tables, maps and charts comprise special section devoted to mining. Pages 25-48

Railways Buy $38 Millions Of Equipment

National Steel Car and Canadian Car Obtain Large Volume

From Our Own Correspondent

MONTREAL.—Orders for rolling stock equipment by the C.P.R. and C.N.R. total approximately $38 millions. The orders involve 7,423 rolling stock units divided about evenly between the two railways.

Equipment building programme of the C.P.R. for 1937 involves expenditure of over $20 millions on rolling stock of various types for which contracts have been given. It is estimated the contracts placed by the Canadian Pacific have an approximate value of $7.5 millions for National Steel Car Corp., $6.5 millions for Canadian Car & Foundry Co., $3 millions for Montreal Locomotive Works and $2 millions for Canadian Locomotive Co.

Particulars of Equipment

Equipment orders being placed by the Canadian National Railway aggregate $17.4 millions in value. The business is being placed with Canadian Car & Foundry Co., Eastern Car Co., National Steel Car Corp. and the railway's own shops.

The C.N.R. contracts for new rolling stock cover 300 refrigerator cars, 300 gondola cars, 3,000 box cars, 15 snow plows, 14 flat cars of 40-ton capacity, 44 flat cars of 50-ton capacity, 50 first class passenger coaches, 10 mail and express cars and 10 baggage cars.

The C.P.R. orders cover 50 locomotives, 30 passenger and express cars, and 3,600 freight cars of various types. They are distributed as follows:

Montreal Locomotive Works has received a contract for 30 locomotives.

Canadian Locomotive Co. will build 20 locomotives of the Jubilee type.

National Steel Car Co. has received orders for 1,700 units, composed of 1,100 box cars, 300 hopper steel coal cars of 50-ton capacity, 100 gondola cars of 75-ton capacity, and 200 steel drop bottom 50-ton gondolas.

Canadian Car & Foundry Co. will build 1,700 box cars and 200 automobile carrier cars.

Orders are being given for two baggage and express cars, five mail and express cars, and frames for one café parlor car and 22 day coaches. These latter will be built into complete cars at the C.P.R.'s Angus shops at Montreal.

The C.P.R. has also ordered a snow plow to be constructed at the Angus shops.

Debt Laws Upset Plans For Utopia

Social Credit Pushed Aside by Alberta Court Rulings

60-DAY MORATORIUM

From Our Own Correspondent

EDMONTON.—Social credit policies of the Alberta Government have been pushed into the background temporarily by the problems piled on the Government by collapse in the courts of debt and interest legislation.

The first step to deal with the situation was declaration by order-in-council of a 60-day moratorium on private debts in the province. This is regarded as a prelude to new debt legislation, possibly aimed toward reducing principal of debts.

Debt policies were the first matter to engage the pre-session caucuses of the Aberhart Social Credit Government. Wide differences of opinion were voiced by private members.

Now that provincial interference with interest rates has been ruled unconstitutional, a strong faction of the Social Credit party wants to make a 50% reduction of principal of private debts. But there appears to be some prospect of postponement of drastic legislation pending negotiations with private lending interests.

Anticipated cabinet changes appear to be out of the moving picture temporarily. Factions have been lined up in caucus, however, against W. N. Chant, Minister of Agriculture, J. W. Hugill, Attorney-General, and W. A. Fallow, Minister of Public Works.

Preliminary negotiations have begun between the Government and mortgage companies with a view to drafting a debt adjustment scheme for Alberta along the lines of the Saskatchewan plan.

Investor's Index

INDUSTRIALS AND UTILITIES

Asbestos 9
Agnew-Surpass. 9
Anglo-Can. Tel. . 4
Abitibi Pwr. . . 12
B. C. Power . . 12
Bk. of Can. 12, 15
Burns & Co. 4, 5, 11
B. C. Power . . 4
Brazilian . . . 4, 9
Brewing Corp. . 20
Beauharnois . 4, 16
Brewers & Dist. 16
Consol. Bakeries 9
C. Locomotive 5, 9
Calgary & Ed. . . 9
C. P. R. . . . 4, 16
C. N. R. 3
Canada Bread . . 4
Can. Bakeries 4, 15
Can. Gen. Invest. 8
Com. Alcohol 11, 15
Canadian Fire . 17
Cosmos Imp. . 4, 12
Can. North. Pwr. 12
Can. Wire & C. 4
Can. Packers . . 4
Central Finance 15
Dom. Motors . . 9
Dominion Life . 17
Detroit Bridge . 10
Dom. Stores . 3, 10
Dosco 4
Dom. Tar 3
Econ. Mutual . . 17
Federal Grain . 9
Gt. Lakes Pwr. 9
Gr. Lakes Paper 3
Gen. Stl. Wares 3
Guelph & Ont. . 10
Guelph Trust . 10
General Trust . 20
Hinde & Dauch . 3
Huron & Erie . 9
Holt, Renfrew . 5
Int. Paper . . . 4
Industrial Loan 15
Inter. Nickel . . 4
Int. Petroleum . 9
Imp. Tobacco. 9, 15
King Ed. Hotel . 3
Lake St. John . 5
London & West. 10
Maritime T. & T. 12
Maritime Trust. 10
Mtge. of N. S. . 10
Mt. Royal Hotel 17
Montreal Loan . 10
Metropol. Life. . 17
Massey-Har. 1, 9, 20
Mtl. Cottons . . 3
Milton Brick . . 1
Northwestern U. 9
N. B. Power . . 11
Nat'l. Biscuit 4, 10
Ottawa Traction 20
Price Bros. . . . 4
Page-Hersey . . 1
Phoenix Elevator 9
Prudential Assur. 2
Quinte Milk Pr. 19
Robt. Simpson . 9
Russell Motor . 20
Royal Trust . . 20
Swift Canadian . 14
Simon & Sons . . 5
Sterling Trusts . 10
Southern Can. 4, 12
Spruce Falls Pr. 3
Shawinigan . . 4
Sussex G. Ale . 10
Tor. Elevators . 3
Un. Amusement 10
Western Savings 9
Western Trust . 10

MINES AND OILS

Armistice 23
Atlan. Keystone 9
Bralorne 23
Buffalo Ank. 21, 23
Capps Gold . . . 23
Century Mng. . 23
Chesterville . . . 23
Chibougamau N. 23
Clerno Mines . . 21
Cobagold 23
Comm. Pete. . . 9
Commandor . . . 23
Darwin 21
Dome 4
Dorval Siscoe . . 23
Don Martic . . . 23
Duport 23
Fox Lake 23
Faulkenham . . . 23
Francoeur 23
Fernland 23
Golden Gate . . 23
Hedley Amal. 1, 4
Harwood . . . 21, 23
Hollinger 21
Inter. Nickel . 4, 23
Island Mtn. . . . 23
Kerr-Addison . . 23
Kenecho 23
Kenricia 23
Lang 21
Lardego 23
Lebel Oro 23
Lake Rowan . . . 23
Lake Shore . . . 4
Mercury 9
Martin-Bird . . . 23
North Huron . . 23
Obalski 21
Omega 23
Proprietary . . . 23
Perron 23
Pantepec 4
Raven River . . . 23
Royalite 9
St. Anthony . . . 4
Southern Gold . 23
Stadacona . . . 21
Tashota 23
Wood Cadillac . 23

QUOTATIONS

Grain 19
Bonds 18
Mines 18
Stocks 18
Foreign Exchange . . . 20
Company Reports 10, 17, 20

Mining Supplement Index

Advance 25
Altura Gold . . 26
Ashloo . . . 27, 31
Algold 38
Anglo-Huronian 38
Argosy Gold 38, 45
Aldermac 29
Armont Gold . . 42
Alcona 34
Aerial 31
A. E. Syndicate 33
A. X. Syndicate 33
American Zinc . 41
Albany River . 26
Amm Gold . . . 26
Arntfield G. 29, 38
Arntfield Synd. 28
Bagamac Mines 45
B. R. X. 30
Bilmac Gold . . 27
Britannia M. . 38
Bergold 38
Birch Bay . . . 47
Burwash Y'knife 38
B. E. A. R. . . 29
Blue Star . . . 31
Britannia . . . 31
Bralorne 30, 31, 38
Big Bell 40
Beattie Gold 29, 38
Bidgood 38
Bousquet 26
Buffalo Ankerite 38
Big Master . . . 31
Brae Breest. 34, 36
Bysche Red L. . 26
Bayonne 31
Big Missouri 27, 31
Brett Tretheway 28
Beauplace . . . 42
Belleterre . . 29, 42
Birse Richardson 44
Berens River . . 31
Black Eagle R. L. 26
Baird R. L. . . . 26
Cariboo Gold Q. 31
Cent. Cariboo . 31
Coast Copper . . 31
Canty Hedley . 31
Conley 26
Cons. Barker . . 31
Cariboo . 30, 31, 38
Cons. Sask. . . 38
Cedar Bay . . . 26
C. L. Freeman . 31
Can. Malartic 29, 38
Clark Gold . . . 38
Contaurum . . . 46
Cline Lake . . . 27
Cohen-McArthur 28
Crow River . . . 28
Century Mining 24
Clubine-Comst'k 27
Cole Gold . . . 26
Cochenour W. . 26
Coniagas 28, 40, 47
Cockeram 26
Central Sachiga 44
Central Pat. 28, 38
Central Man. 24, 38
Cons. G. Alluv. . 30
Cariboo Hudson. 30
Car. Yankee B. . 30
Central Sachigo. 30
Cons. Mining . . 30
Davidson 30
Dawn R. L. . . . 26
Darwin 31
D. & M. Synd. . 33
Denman Secs. . 31
Decca Chemical 47
Dentonia . . . 31, 38
Dupont Hodgson 26
Derlak 27
Denison Nickel . 45
Dome . . . 27, 38, 42
Eldorado 38
Esperanza . . . 31
F. M. Connell S. 31
Flora Gold M. . 31
Frontier R. L. . 26
Franklin Gold . 40
Fort Hope . . . 28
Faulkenham . . 28
Falconbridge N. 27
Fairview Amal. 31
Flin Flon 45
Gold Seekers . . 28
God's Lake . 26, 38
Gateway Pat. . 28
Gunnar Gold . 29, 38
Gurney . . . 28, 31
Golden Gate . . 28
Granby . . . 31, 38
Granite Poorman 31
Greenwood . . . 30
Gaffney 31
Grandview . . . 26
George Copper . 31
Gilbec 26
Gillies Lake . . 26
Greene Stab'l 29, 38
Gold Mtn. . . 30, 31
Hollinger 27, 38, 42
Do. 47
Hedley Chief . . 30
Heyson 26
Howey . . . 26, 38
Hedley M. 27, 30, 31
Hedley A. 27, 30, 44
Hurley Baker . . 44
H'ning Maloney 24
Halliwell Gold . 47
Hedley Cons. . . 31
Howe Sound . . 31
Hard Rock . . . 38
Hedley King . . 31
Hedley Stirling . 30
Hedley Shamr'k 30
Home Gold . . . 30
Int. Nickel 27, 34, 47
Island Mtn. . . . 31
Inter Lac Gold . 38
Island Lake . . . 38
J. M. Cons. . . . 26
Jowsey Island . 42
Kenricia 28
Kenlaid Gold . . 38
Kenecho Gold . . 38
Kenosha Gold . . 28
Kenjoe Gold . . 38
Kayorum Gold . 38
Kirk. Hudson . . 38
Kaw Crow . . . 38
K'tenay Belle 31, 38
Kootenay Flor. 31
Kelowna Ex. . . 31
Kingston Mines 38
Kenogamisis . . 38
Kirkland Lake . 38
Kelsey Gold . . 47
Lake Hill Gold . 38
Line Bay Synd. 38
Lakeport Gold . 28
Laverty 31
Lake Rowan . . 26
Laguna 31
Lake Montigny . 26
Lucky Jim . . . 31
Lake Cawell . . 31
Lamaque 29, 38, 42
Lanour Mines . 47
Mandy 45
Man-Sask Gold . 24
Monarch Gold . 24
Millar Minerals. 47
Mining Corp. 33, 46
Martin-Bird G. . 42
Maralgo Gold . 42
McWatters G. 29, 38
Maniwobic Gold 45
Macassa . . 38, 46
Matachewan . . . 38
Morris Kirk. 38, 46
Mankirk Gold . 42
Maumee R. L. . 26
Meridian 31
Mink Lake . . . 26
Minister Kirk. . 42
McIntyre 27, 38, 42
Montague Gold . 26
May Spiers . . . 30
McKenzie 26
McAndrew . . . 42
Margaret Gold . 26
McCuaig Red L. 26
McMarmac Red L. 26
McCallum . . . 26
McMahon R. L. . 26
Mines Devel. 40, 45
Northern Canada 28
Nicola 31
Northern Empire 38
Northern Queen 31
Nickel Plate . . 31
Northfield Mng. 31
North Star . . . 31
Neville Canadian 47
Noble Five . . . 31
O'Brien G. 30, 33, 38
Ore Hill 31
Omega 46
Olive Gold . . . 31
Orelia Mines . . 40
Osoyoos 31
Premier G. 30, 31, 38
Pamour Porc. 36, 38
Porquin Gold . 26
Paymaster . . . 38
[illegible]
[illegible]
Prosp. Arryo. . 45
[illegible]
Pierce McNabb . 38
Pacific Eastern 30
Pioneer . 30, 31, 38
Pickle Cr. 28, 38, 46
Pickwick Synd. 28
Pickwick Gold . 28
Parkhill 38
Pal Exploration 47
Powell Rouyn . . 44
Perron Gold 29, 38
Pend Oreille . . 31
Porc. Triumph . 47
Rebair Synd. . . 24
Ronda Gold . . 31
Roche Long Lac 42
Ross R. L. . . . 26
Relief Arlington 38
Reno Gold . . . 31
Rajah 31
Rouge D'Or . . 31
Rich Lake . . . 26
Red Lake G. 26, 38
Red Crest Gold 38
Red Lake Synd. 26
Rowan Red L. . 26
Ross (Hollinger) 38
Redwood 31
Reward Mining . 24
Reeves McD. . . 31
Ruth Hope . . . 31
Rahill Red Lake 26
Randall Mines . 45
Robin Hood M. . 40
Sullivan Con. 29, 38
Shawkey G. 29, 38
Stadacona R. 29, 38
Spruce Lake . . 31
Shepherd R. L. . 26
St. Anthony . . 24
Starratt 28
Sylvanite . . . 38
Sheep Cr. 27, 31, 38
Salmo-Malartic 31
Solidago Mining 47
Straw L. Beach 31
Sanshaw 31
Sylvia Mining . 31
Shenango . . . 26
Skookum 31
Selby L. Mines . 31
Smelters 27, 30, 31
Shebandowan . . 47
Sun Bear 33
Springer Explor. 33
Slave Lake Gold 33
Split Lake Gold 34
Split Contact . . 34
Sioux Lookout . 34
Sherrit Gord. 24, 46
Seine River Gold 47
Shinintree Mines 47
Sunshine Cal. . . 31
Slocan Rambler. 31
Second Relief . . 31
Silbak Premier . 31
[illegible] . . 31
Surf Inlet . . . 31
Stanmore Co. . . 24
Twin Lakes . . . 31
Thomp.-Cad. 29, 38
Toburn 38
Threadneedle M. 40
Tashota Gold . . 45
T.-Hughes 27, 38, 42
Toburn Mine 38, 42
[illegible] . . . 34
Texas Canadian 46
Utica 31
Upper Seine Syn. 47
Velvet 31
Vidette 31
Vancouver Is. . 31
Valloo Mines . . 45
Val D'Or 26
Venture . . 33, 46, 47
Wayside . . 30, 31
Wekach Gold . . 24
Wood Cadillac . 46
Wood Brown . . 33
Williamson M. . 42
Wabic Gold . . 45
Wendigo 40
Westricia 40
[illegible] . . . 26
[illegible] . . . 26
Winoga Patricia 28
Wright-Harg. 27, 38
[illegible] . . . 27
Walsh Sachigo . 44
Weldon 31
[illegible] . . . 31
[illegible] . . . 31
[illegible] . . . 24
Whitewater M. . 31
Y. Davidson . . 31
[illegible] . . . 38
Ymir Yankee 31, 38
Ymir Cons. . 31, 38

Canada May Expect Big Orders For Foodstuffs, Canned Goods Through British Armament Plans

Wide Range of Business Expected to Benefit by Huge Programme for U. K. Defense — Will Boost Merchandise Sales to Britain

By Cable From Our Own Correspondent

LONDON.—Canadian producers cannot fail to gain a considerable volume of new business, covering a wide range of materials, from Britain's huge rearmaments programme. Of actual munitions orders there will be only modest orders for Canada, but for raw materials, for foodstuffs and for general manufactures displaced by the rush of rearmament, considerable business will be available.

Direct orders for Canada in the field of armaments will, enquiries in high circles reveal, be restricted to explosives, munitions, nickel, copper and other minerals, particularly alloys.

Big Foodstuffs Reserves Forecast

A major interest to Canada at the moment is that phase of the British plans which provides for accumulation of reserves of foodstuffs in the British Isles, to be drawn upon in case of emergencies. The extraordinary defense programme includes provision for spending money building up supplies of foodstuffs. For instance, one plan involves setting up a series of depots at which will be stored canned foodstuffs.

The exact details of what is proposed in this connection cannot be obtained. The proposal is, however, one of major interest to Canadian producers. During the debate in the House of Commons, Sir Thomas Inskip, minister for the co-ordination of national defense, declined to reveal any details of the Government's plan for a war-time food reserve. But he spoke in high approval of the suggestions, made by Sir Arthur Salter, to the effect that Britain should prepare itself with a food reserve equal to at least one year's normal requirements.

800 Million Cans

Discussion in the Times and other British papers indicates that the annual consumption of canned foodstuffs in the British Isles is equal to 1,600 million quarts, of which less than one-third is produced at home. Normal stocks are three months requirement. Thus, by a straight calculation, it is seen that the importation of about 800 million quart cans of foodstuffs would build up Britain's stocks to the equivalent of one year's supplies.

It is apparent that the Government has taken up the proposal and is understood to have approached British industry already with tentative orders for the first 20 million cans. But great difficulty has been encountered by food factories in obtaining any substantial increase in supplies of the necessary raw materials from home producers, particularly of tinned meats, vegetables, fish, fruits and milk. In addition the physical plant for

(Continued on page 2, col. 5)

Canners, Growers in Canada May Reap Harvest From Plan

EFFECTS WIDESPREAD

Canners of fruits, vegetables, milk, meat and fish in Canada as well as growers and fishermen should reap a substantial harvest from the proposals of the British Government to store up foodstuffs against the evil day of a European war.

Yearly importations of these foodstuffs by the United Kingdom is estimated at 800 million quart cans. It is proposed to buy up immediately 20 million cans and place them in storage depots.

In view of the preferences enjoyed by Canada in the British market a substantial proportion of the new import demand thus created should be met from Canadian factories and farms.

Would Take Time

The immediate effect of the carrying out of the British proposal would probably be steadily higher prices for Canadian canned foods. Supplies on hand already limited would not be nearly sufficient to meet anything like the proposed purchases. In most lines it would not be until the new crops are ready next fall that Canada could take full advantage of the suggested U. K. move.

Contract acreages for the crops affected of course, would be increased this spring, and at probably substantially higher prices to growers than have ruled in the past. This delay in building up supplies on this side of the Atlantic, of course, would not apply nearly as much to such continuous productions as tinned fish, milk and meats.

Future Effect

One point that should not be overlooked in building up emergency supplies such as are proposed in Great Britain, would be the future effect on the current market. Left over war reserves of foods and other products in 1919 and 1920 very seriously disturbed world prices, markets fearing any sudden liquidation.

It is conceivable that in a period of very high prices domestic political pressure might be brought to bear on the British Government to liquidate some of these new reserves. A change in government might bring about a similar result. In any case the fact that large supplies of wheat, canned goods and cured meat were being held in storage in Great Britain might easily act as a bearish market factor on current prices of the products concerned.

Incidentally, if properly stored all canned goods, wheat and cured meats will keep practically indefinitely, particularly if a policy is adopted of releasing a definite percentage of the older supplies each month and restocking with the same amount of new.

This would be the second time in the past two years that Canada has benefitted by war scares in Europe. Sanctions against Italy during her conquest of Ethiopia opened the markets of Great Britain to Canadian tomatoes. As a result in the last two years some 700,000 cases of canned tomatoes have been sold to British buyers while in the nine-month period ended last December more than 300,000 cases were shipped across the Atlantic.

What It Means

In estimating possible Canadian shipments as a result of the depot storage plan remember that Canadian canned goods are not packed in quart-sized tins, the nearest standard weight tin to this being the 2½'s in which most of the canned tomatoes are put up. The contents weigh 29 oz. whereas a quart can would be approximately 40 oz. Assuming the year's import requirements in Britain to be 800 million cans of 24, 2½-sized tins to the case, it means that more than 33 million cases are to be purchased. On the same basis, the immediate requirements would be more than 800,000 cases.

Other Purchases

Other Canadian vegetable and fruit products which have earned popularity in the British market are pork and beans, pears and apples. Latest Government figures show that in the same nine months, Canada exported 360,000 cases of 24 tins each of pork and beans, most of which went to the Old Country and that amount was more than double

(Continued on page 2, col. 6)

Car Sales Up — Life Ins. Down

Life insurance sales were down sharply in January both as compared with the previous month and January a year ago. On the other hand substantially more money went into motor cars both new and used.

While newsprint and car loading declined slightly from December, which is considered a seasonal trend, both were up sharply from the first month a year ago.

Summary total of key figures follows:

	January	— Change — From prev. period %	From prev. year %
Monthly:			
Motor car financing:			
Used cars	$1,421,014	+5	[illegible]
New cars	$1,848,131	—12	+75
Newsprint prod., tons	287,691	—0.6	+28
Life insurance....	$28,764,000	—22	—17
Weekly:			
Car loadings, No.	46,370	—0.2	+11

Bitter Struggle Seen Around Transport Act

Hon. C. D. Howe Affirms Belief in Controlled Monopoly

EXPLAINS VIEW

From Our Own Correspondent

OTTAWA.—The barrage of opposition which has developed to certain phases of the new Transport measure has not weakened the determination of the minister to obtain some central co-ordinating measure. The Government will press the passage of the bill, meanwhile accepting such amendments as the representations made before the Senate Committee may recommend.

Chief objection to the bill has come from the Maritimes from aviation operators, from western grain interests and the small shippers on the Great Lakes.

Believed Inevitable

While acknowledging the difficulty of administering such a measure so as to suit all interests, Hon. C. D. Howe, Minister of Transport, believes it is virtually inevitable.

The only alternative, he believes, would be to release the railways from their present restrictions, and this is only to a limited extent within the power of the federal parliament.

The minister regards Canada as backward in legislation providing for the regulation and co-ordination of transport facilities.

Controlled Monopoly

He has in mind the unfairness of a set-up in which one type of transportation is held under rigid regulations while competitors are free to operate without restraint.

He regards controlled monopoly as less undesirable than unrestricted and expensive competition, which, he believes, will in the long run be more expensive to the consumer.

In the aviation field, just beginning to operate on a nation-wide scale, he feels that it should grow up

(Continued on page 2, col. 5)

Provinces Lead Opposition to Stringent Regulation as Planned

OBJECTIONS HEARD

From Our Own Correspondent

MONTREAL.—Hon. C. D. Howe's bill to bring under control of a new commission all forms of transportation in Canada is not going to have an easy passage through the House or Senate, judging by the criticism already expressed.

The Transport Bill, broadly speaking, plans for replacement of the present Railway Board by a Board of Transport Commissioners and extending jurisdiction to include not only railways but shipping, air and highway transports.

The majority of the Provincial Governments, notably Ontario and Quebec, are definitely opposed to federal control over provincial bus and truck traffic. It is claimed the bill infringes upon provincial autonomy and rights in certain of its articles.

Question of Jurisdiction

Ontario threatens to take the matter to the Privy Council if the bill is passed.

Meanwhile Senator Raoul Dandurand, Liberal leader in the Senate, assures the Senate Railway Committee that the Government had no intention of enacting the provision of the Transport Bill regulating bus and truck traffic until the provinces were consulted.

Railway Labor Approves

The railways have not yet been heard by the Senate Committee, but it is generally understood that they are strongly in favor of the Transport Bill. The Dominion joint legislative committee of the railway transportation brotherhoods submitted a brief voicing "hearty approval of what we understand to be the chief principle of the bill, namely, to place the several forms of transport therein under the authority of the Transport Commission."

Airways Oppose Bill

G. A. Thompson, general manager of Canadian Airways, told the committee rates and tolls for airway traffic, particularly to the north, should be regulated by the operators and not be subject to control by the proposed Board of Commissioners.

He said he was in accord with aims of the Transport Department to place Canadian aviation on a sounder basis, but he saw "insuperable difficulties in the department attempting to make air transportation subject to the Railway Act."

The Senate Committee has yet to hear from the railway representatives. It is expected that their representations will be made next week.

Page-Hersey Profits $4.25 Per Common Share

Net profit of Page-Hersey Tubes for 1936, after all charges, is reported at $741,608, equivalent to $4.25 a share on the common stock. This compares with $642,831 in 1935, equivalent to $3.68 a share.

Operating profit of $961,009 represented a substantial increase over 1935. Income of $150,306 from investments and loans showed only a slight increase from the 1935 figure of $149,914.

After payment of common dividends of $3.25, there was an addition of $178,951 to surplus which totals $3,314,711, compared with $3,152,900 in 1935.

Massey Cuts Loss for Year To $58,414

Working Capital Gain Marks Reversal of Slump

RESERVES LARGE

Massey-Harris Co. and subsidiaries report a loss of only $58,414 in the year ended Nov. 30, 1936, compared with a loss of over $1.4 million in 1935 and large annual deficits ranging as high as $4 millions over the preceding six years.

The loss is shown after full provision for depreciation, possible losses on bad or doubtful accounts and after raising reserve for foreign exchange and contingencies to a new high level.

Although there are no earnings shown for the preferred shares, there was an increase of $651,978 in working capital, the first such increase since the depression started. This reverses the trend which has reduced working capital by some $30.1 millions since 1929.

Comment in Report

The statement by T. A. Russell, president, and J. S. Duncan, general manager, in the annual report, does not pronounce definitely on the outlook for the next year.

In a brief summary of crop conditions in areas where the company is active, it is stated that the position of the American farmer was definitely improved by increased prices for farm products; that in Argentina the wheat crop is estimated 77% above 1935 and that prices are higher; that increased prices were reflected in European business although crops were smaller than in 1935; that in Canada drought damage reduced crops but that the total value of farm products increased.

The official statement points out reserves as follows:

18% for inventories;
26% for accounts and bills receivable;
63.3% for depreciation of fixed assets.

Exchange Reserve

It is also stated that reserve for foreign exchange and contingencies is sufficient to cover exchange losses on funds in foreign countries.

Being the first report since rearrangement of sinking fund provisions last year, the statement shows reduction of $100,000 in the outstanding 5% bonds under the new provisions and emphasizes that there is no longer any default in sinking fund.

Comparative figures, showing bond interest covered 2.5 times after depreciation, and details of working capital appear on page 20.

Halt Trading Hedley Amal. In Vancouver

Government Asked to Probe Gyrations of Stock

CLAIM ALL'S WELL

From Our Own Correspondent

VANCOUVER.—Trading in Hedley Amalgamated, one of the most active issues on the Vancouver Exchange, was suspended by Exchange officials recently due to rumors regarding the property, and there was a sudden drop in price from a peak of $1.10 a few days ago to 32 cents on the day trading was suspended.

Frank Parsons, treasurer of the company, claims the property is in good shape and quotes P. W. Racey, engineer, as indicating fairly large bodies of commercial ore on the property.

Meanwhile, Vancouver stock exchange officials have asked the Attorney-General to investigate circumstances which led to sudden heavy sales in the stock, sales which resulted in suspension of trading.

This company has been developing a property bought from Stemwinder Mountain Mines, comprising property near Hedley, B.C. As at Jan. 1, 1937, the company reported cash on hand of $82,000.

Oils and Base Metals Feature Post Issue

What with Britain's $7.5 billions rearmament programme; a red-letter Canadian budget and trade treaty; and political and economic pots boiling furiously in at least two provinces—the days and weeks are filled to overflowing with important vital news of interest to every Canadian.

Stock markets are reflecting this throbbing activity, and following its big meaty National Mining Number this week, The Post is planning major features of wide interest to all its readers.

For example, next week's issue will contain at least two important feature articles of special interest to investors. One of these will focus attention on the western Canada oil stocks which have recently attracted wide interest in all parts of the continent. This story will enable investors to check and appraise their oil stocks purchases as well as aid those who have yet to make a purchase in this important field.

Another article will answer the very timely question whether or not Canadian base metal stocks are overvalued in light of their spectacular rise during the past week.

In addition to special articles from its scores of correspondents in all parts of Canada, the next issue of The Post will contain a feature long valued by Canadian businessmen—the annual, painstaking coverage of the Canadian budget with which will be combined, of course, a special feature article on the new Canada-United Kingdom trade agreement.

If you are not already a subscriber be sure to make your reservation early for this very important issue.

MEN'S SHOP
MEN'S SHOP EATON'S COLLEGE STREET

NEW "Huntingdon" SUITINGS for Spring

Our recent arrivals in Huntingdon imported woollens include a noteworthy selection of all wool tweeds for town and country.

Worsteds, saxonies, and serges offer an array of new patterns and colour combinations to please the most exacting tastes, and to conform with the more colourful styles of 1937.

Three-piece suit, made to order—$50.00
Morning suit with striped trousers, to order—$50.00
Topcoats by Burberrys, in a fine range for Spring 1937. Sizes 35 to 46—$45.00 to $55.00
Other topcoats $25.00 and $35.00. Sizes 36 to 44

These suits and coats may be purchased on EATON'S Budget Plan if desired.

Free Parking While Shopping
Phone AD. 5011 or AD. 5511

BAY STREET SECTION

EATON'S-COLLEGE STREET

Milton Brick Assets Again Offered for Sale

A court order has been obtained by the National Trust Co., Ltd., trustee, to receive offers for the purchase of all the mortgaged premises of Milton Brick Ltd. up to noon on March 18.

A meeting of the holders of the $260,200 outstanding 6½% first mortgage bonds has been called for March 19 to consider any offers received.

Prudential of London Dividends Unchanged

Participating dividends of the Prudential Assurance Co. of London will be continued on the same basis for 1937 as in 1936, the company has announced. Dividends of $23 per $1,000 sum assured will be paid on whole life fully participating policies and on endowment policies $20 on each $1,000 of insurance.

Policyholders who elect to take dividends in cash will receive the same values of dividends as during 1936.

Visible Wheat Supply

For the time being Canada has surrendered the spotlight in world wheat markets to the Argentine. Only a small portion of world shipments last week originated in this Dominion. This condition is expected to continue for at least another three weeks or until the flood of new Argentine wheat has subsided. Visible and export clearance figures in bushels are as follows:

Week of Feb. 19	Week previous	Last Year
92,442,000	94,910,000	228,305,000
Export Clearances*		
Week of Feb. 19	Week previous	Last Year
....	2,140,725	5,516,675

* Plus U. S. imports.

Brazilian Traction

An up-to-date folder has been prepared by Financial Counsel analyzing present and future prospects on a basis of earnings and dividend possibilities.

Your copy will be mailed on request.

AIRD, MACLEOD & COMPANY
BONDS & INVESTMENT SECURITIES
MEMBERS TORONTO STOCK EXCHANGE
ROYAL BANK BUILDING, TORONTO
Telephone AD. 9481

Here's How YOU Benefit!

1 If you are a Subscriber-by-mail to THE FINANCIAL POST, you get *every* important issue delivered regularly each week at your home or office. That means both certainty and convenience.

2 If you are a Subscriber-by-mail you receive notice of special features and publication of subsidiary books which may be of great value to you as an investor or otherwise.

3 If you are a Subscriber-by-mail you are eligible to the full privileges of the INVESTOR'S ENQUIRY SERVICE without extra charge—replies by personal letter to your questions at any time regarding your Canadian securities.

Subscription rates: One Year $5; Half Year $2.50, or, if you prefer first to test the value to you of THE FINANCIAL POST by subscription — Ten Weeks for $1.

---------- MAIL IT TODAY ----------

THE FINANCIAL POST,
481 University Avenue, Toronto, Canada.

Send me THE FINANCIAL POST for (Check square)
☐ One Year $5.00
☐ Half-Year $2.50
☐ Ten Weeks $1.00

Herewith $............. in payment.

NAME ....

ADDRESS ....

.... Occupation 778

The Nation's Business

(Continued from page 1)

recently announced that it would grant temporary aid to Saskatchewan and Manitoba pending the findings of a royal commission which is to be appointed to investigate the division of taxation powers and financial responsibilities between the provinces and the Dominion, Premier Aberhart immediately protested "discrimination" against Alberta. Hon. C. A. Dunning, Minister of Finance, points out, however, that there is no discrimination and that the Dominion Government is quite willing to grant similar assistance to Alberta on the same basis as to Saskatchewan and Manitoba. The most important factor which made it impossible for the Federal Government to assist Alberta was the arbitrary way in which that province had treated its creditors by reducing bond interest.

* * *

FROM the beginning it has been Premier Aberhart's contention that Alberta desired to meet its obligation in full, but was unable to do so. Taking Premier Aberhart at his word, there is no longer any reason why Alberta bonds should not be restored to full service, especially since the interest reduction has been declared illegal. Assurance of Alberta's intention to resume full interest payments on its bonds would bring immediate assistance from Ottawa.

Announcement that the Bank of Canada will make a survey of the financial affairs of Alberta similar to that made of Saskatchewan and Manitoba would appear to be the first step in the right direction.

* * *

IT IS generally admitted that many mortgages in Alberta require adjustment, but as has been pointed out on numerous occasions by The Financial Post, the mortgage legislation passed by the Alberta Legislature last summer was both unfair and destructive of private and public credit. A write-down of private debt could have been attained through a voluntary adjustment such as that negotiated in Saskatchewan which would have been fair to both debtor and creditor.

The way is now open for a voluntary agreement. Negotiations, with this in view, were opened in fact by the mortgage companies about two weeks ago. Tentative suggestions have already been drawn up and will be submitted to the Alberta Government in the near future.

* * *

Canada Must Now Begin to Pay Debts

IN 1936 Canada had a favorable balance of international payments which the Bank of Canada puts at $300 millions in a preliminary estimate. The governor of the Bank, Graham F. Towers, in his annual report this week, estimates that we used about $145 millions of this to "repatriate" some of our obligations formerly held outside the country.

Mr. Towers points out that a favorable balance of this kind is characteristic of the early stages of a period of recovery in Canada. But another fact is also true, that in the past our greatest periods of prosperity have been those when we had an "unfavorable balance." In such periods we were importing capital and equipment for expansion. Mr. Towers is, then, wise to warn against too strenuous an effort at paying off our foreign debts, which might severely test absorptive powers of the bond market and put a strain on the Canadian dollar.

* * *

THE Bank of Canada report is a most optimistic document. Mr. Towers expects the volume of business in 1937 to exceed the 1926-1929 average; he thinks we can reach the goal of a satisfactory level of prosperity in Canada. But he questions the permanency of the world recovery and urges us to use our favorable conditions to tackle some of our pressing problems.

One of these problems is dealt with by Mr. Towers in his report. It is that of public finance. It is not enough to speak of balancing our budgets. Having increased public debt — Dominion, provincial and municipal—by over $1,800 millions in the six years to March 31 last, we must now give consideration to how we are going to reduce, in good times, the debts we piled up in seeing the country through the depression. To Mr. Towers it is plain that the figures of debt increase suggest "that we must expect high taxation and need economical administration for many years to come."

* * *

CENTRAL banking is a highly complicated and technical business conducted on very simple principles. Mr. Towers has achieved much in making his annual report a most readable document, brief and to the point. One of the first moves the bank should undertake is to make the report available to a larger number of people. The example set by the chartered banks, of publishing their reports and the speeches at their annual meetings in key newspapers, should be adopted. The cost would be small compared with the value of informing citizens.

Canada Will Benefit From Armament Plans

(Continued from page 1)

turning the raw materials into canned foods is not available, even if the raw materials were. It is plain that any quick response by British industry to the demands of the Government is impossible.

Turn to Empire Sources

Under the circumstances the Government will have to turn to British Empire countries, not only for their quota allowances under the Empire agreements but for a considerable proportion of the quota normally allotted to domestic producers.

The immediate programme is believed to call for 20 million cans of foodstuffs, while the main programme will call for 800 million cans of imports, plus whatever the domestic industry is unable to provide up to a maximum of 1,200 million cans.

Sir William Beveridge, the eminent economist, has stressed the urgent need for accumulating supplies of canned and powdered milk and pointed out that babies must have the first claim.

Increase Wheat Stocks

Large increases are planned in the stores of wheat carried in Britain. A recent survey by a group of junior members of parliament revealed that British millers have been operating on virtually a hand-to-mouth basis. The young M.P.'s made strong representations to the Government that larger stocks of wheat should be carried and that these should be purchased from Dominion countries, particularly Canada.

The British defense programme is being superimposed upon existing boom conditions in British industry. The effect is already showing itself; it is to affect seriously the output of general manufactures as plants swing over to armaments manufacture. The Government, it is learned, will rely to no small extent upon increased imports of these general manufactures as well as of foodstuffs, in order to prevent too rapid a rise in prices.

Wide Range of Products

Such imports, representing the field in which Canada may expect to do the largest amount of new business in the Mother Country, cover a wide range of manufactured articles. Canadian industry is admittedly in a preferred position to compete for such business.

Many Canadian firms which are not in the armaments business and never thought of themselves as being engaged in the manufacture of munitions, will benefit because of the necessity of finding a source of supply of many manufactured articles normally produced in Britain but now crowded out of industrial schedules by the pressing demand for parts for airplanes and other units in Britain's new mechanized defence system.

The vital need of a continuous supply of the raw materials with which Canada is so bountifully endowed, was recognized during the debate in the Commons on the enlarged defense measures. The major task of the rebuilt and enlarged British Navy, it was pointed out, was to protect the sea routes between the raw material countries of the Empire and Great Britain. In this respect, the geographical position of Canada is particularly strategic, especially since the events of the Italo-Abyssinian crisis revealed how vulnerable is Britain's traditional route to the Far East via the straits of Gibralter and the Suez Canal.

In return for augmented purchases in Canada, the British Government expects Canada to accept increased quantities of British textiles, not only to help pay for Britain's larger imports from Canada, but to aid in the relief of the distressed areas.

There is a good deal of concern in high financial circles in Britain concerning the consequences of the enormous outlay on war supplies, but British financial stability is assured. The Government, it is learned, will cling tenaciously to its policy of maintaining a balanced budget. The income tax will probably be hoisted above five shillings to the pound. The evident desire is to pay as large a share of the bills as possible out of income, keeping new borrowings to the minimum. The policy of low interest rates will be continued.

Warns Against Price Speculation

Every reliable financial authority in Great Britain is issuing warnings to the public against unwise speculation in base metals on the assumption that the "British war programme justifies soaring prices. It is pointed out that the Government anticipated rising markets for metals and bought large supplies ahead.

Sir Thomas Inskip, in the House of Commons, said that the Government has taken "time by the forelock" in the matter of reserving raw material supplies of this character. Authorities point that European conditions and the arms race in general, justify optimism as to metal prices over the long pull, but that the Government is well fortified with supplies for the next six months.

Southern Newsprint Mill Project Gets Under Way

From Our Own Correspondent

MONTREAL. — Plans are being formulated by Dallas and East Texas interests for the construction of a $5 millions newsprint mill to use southern pine. The mill will be erected by the Southland Paper Mills Inc. and will have an initial capacity of 150 tons daily.

According to Ted Dealey, president of the Texas Newspaper Publishers Association, Texas, Oklahoma, Arkansas and Louisiana publishers have agreed to purchase a substantial output.

The idea of constructing a newsprint mill in the Southern States to utilize the fast-growing southern pine has been discussed for many years. However, technical difficulties have delayed commercial development, though the use of southern pine for kraft paper has developed at a very rapid rate.

Montreal Power Cuts Bonded Debt

Investment Changes Follow Refunding Operations Last Year

From Our Own Correspondent

MONTREAL. — Financial operations of Montreal Light, Heat and Power Cons were explained in detail by John S. Norris, president, at the annual meeting of shareholders.

During the past year, the shareholders were told, the company redeemed $32 millions of mortgage and debenture debt, which was replaced by a new issue of only $15 millions, the balance of the money coming from the treasury. Mr. Norris went on to say:

"Aside from the refunding we issued $22.6 millions 3½% domestic bonds in exchange par for par, for first mortgage 5½% income bonds of Beauharnois Light Heat and Power Co. The exchange was effected for the twofold purpose of protecting our investment in that undertaking and making secure a dependable and adequate supply of power. We have to date received interest on the Beauharnois income bonds equal to the interest we had to pay on the bonds that were issued.

"There are some significant changes in our balance sheet consequent upon our refunding operations. Our major assets consisting of 'bonds and stocks of subsidiary and other corporations' were reduced by liquidation during the year to the extent of $11 millions and increased by the acquisition of Beauharnois bonds to the extent of $22 millions, resulting in a net increase of $11 millions. Our investment in Dominion and Provincial Government and Quebec municipal bonds was reduced by liquidation to the extent of $7 millions.

"On the liability side our mortgage debt shows an increase of over $10 millions, notwithstanding the issue of $22 millions to take care of the Beauharnois exchange. Our debenture debt shows a decrease of $4 millions."

Toronto Harbor Bonds Have Good Reception

The city of Toronto has sold $12,956,000 of 2%, 2½% and 3% bonds of the Toronto Harbor Commission to an exceptionally large syndicate of banks and security dealers, under the management of Wood, Gundy & Co., at an average price of 94.42. Average cost basis to the city is 3.5%. The bonds are guaranteed by the city of Toronto, and preliminary offering is reported to have had a very favorable reception.

In addition to the purchase, the syndicate has an option on an additional $7.5 millions of 2½% bonds of the Harbor Commission maturing in 1947, at the same price. The loan is to refund an issue of 4½% bonds called for redemption at 105 on March 1.

The issue is as follows:

Toronto Harbour Bonds

Amount $	Rate %	Maturity
*2,808,000	2%	1937-42
5,000,000	2%	1942
*2,340,000	2½%	1943-47
†7,500,000	2½%	1947
*2,808,000	3%	1948-53
20,456,000		

* $468,000 annually. †Under option.

Anglo-Norwegian Profits Show Improvement

Anglo-Norwegian Holdings Ltd., holding company for whale fishing firms, reports 1936 income at $226,897 compared with $178,898 in 1935.

After payment of preferred dividends and redemption of 1,190 preferred shares, the company added $32,241 to accumulated surplus. Total surplus was $392,084 in 1936 compared with $359,843 in 1935.

Since the close of the year of the subsidiary operating companies the price of whale oil has risen considerably and contracts for sales have been made at greatly improved prices.

Radio Sales

WINNIPEG.—Sales of radio receiving sets in Manitoba last year were almost double in number to those of the previous year.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Repentigny, Mun. of	Feb.	Comptoir National de Placement	3½-4%	20-Ser.	$24,000	97.56	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Freres du Sacre-Coeur	Feb.	La Corp de Prets de Quebec	3½%	1947	$450,000	100	3½%
Southern Canada Power	Feb.	Nesbitt, Thomson & Co.	4½%	1952	6,000,000	107.85	4%
Price Brothers & Co.	Feb.	Royal Securities Corp. and Syndicate	3-3½%	Serial	3,000,000	100	.....
			5%	1957	12,000,000	99	.....
Stock Issue—							
Fernland Gold Mines	Feb.	J. M. R. Corbet & Co.	....	....	200,000 shs.	25c	.....

Bitter Battle Waged Over Transport Bill At Ottawa Hearing

(Continued from page 1)

accustomed to Government supervision. The usual argument against Government regulation, that it interferes with vested interests, fails to apply in this branch of transportation, since no vested interest of any consequence has been built up.

Unfair Handicap

While denying that the Transport Bill (which provides for the regulation of all transportation under Dominion jurisdiction by a Board of Transport Commissioners) is in any sense "A bill for the relief of the railways," Hon. C. D. Howe believes that at present the steam railways are unfairly handicapped in meeting truck and bus competition.

"Transportation can be used in one form against another. The public must be served efficiently. It is not the intention to regulate one form at the expense of another," he said in a public address recently.

The motives underlying the introduction of the Transport Bill have been given by the minister to the Senate Committee which is considering the measure.

Howe's Viewpoint

A concise paraphrase of Mr. Howe's justification of the bill follows:

"I am not minimizing the fact that this is going to be a difficult bill to work out . . . It is also going to be a difficult measure to administer . . I accept the situation that the bill cannot be administered for any industry unless that industry generally is favorable to such administration, and I think the various industries covered by the bill are fairly well ready and willing to have it applied to them. . . .

"It is not the intention that by this bill one industry shall be regulated in favor of another industry. The intention is that regulation shall be applied to each industry in the interests of that particular industry and having in mind, of course, the protection of the public that uses that industry . . ."

History Reviewed

Hon. C. D. Howe reviewed the history of railway regulation and added that at that time railways so monopolized the transportation field that the whole industry might be said to have been under regulation. It is only since the development of other means of transportation that a situation has arisen in which part of the field is rigidly regulated, and a part hardly regulated at all.

"I am pretty well convinced that in the interests of all transportation we must do one of two things, either do away with regulation of the railways, or apply regulation generally to the competitors.

"There is a considerable demand from the industry itself to apply this regulation on the lakes . . . there is a bill now introduced in the United States Congress which is entirely parallel with this as to the regulation of both lake tonnage and coasting tonnage.

U. S. Experience

"The United States has already taken over the regulation of interstate motor traffic and also aviation traffic. The Interstate Commerce Commission fixes rates for mail on airplanes, approves rates for the carriage of freight and passengers, and also licenses all common carriers—motor trucks—for interstate traffic. So they are a step ahead of us in adopting the type of regulation we are attempting here.

"We do not look for an increase in rates (on the Great Lakes). We look for a stabilization of rates. I cannot think it will encourage the small carrier.

Air Transport

"With regard to transport by air, we are practically at the commencement of a new development, perhaps, the start of interurban flying . . . I think we should start regulation with the commencement of the industry. Since there is no industry at the moment there can be no hardship.

"I might say that this Act is only a first step. After we built up a little experience under the operation of the Act, the whole Railway Act will have to be rewritten so that the powers of the board are extended under it."

Canners and Growers Expect to Benefit from British Plan

(Continued from page 1)

the figure in the corresponding period of the previous year.

Annual shipments of all Canadian fruit and vegetables over the past few years have averaged about 600,000 cases with approximately $1.5 millions.

It may be too that a market will be opened in the United Kingdom for some of our canned corn and peas. Up to the present Britain has not been a buyer of Canadian peas. Formerly, she purchased from Belgium and France and now is producing large quantities herself. Canned corn has never been favored by humans in the Old Country.

Canned Milk

Similarly, benefits will come to manufacturers of canned milk and therefore to dairy farmers. It may in fact be the means of bringing to milk producers in Canada, the much-desired increase in price.

Canned sardines, salmon and lobster already are enjoying a good market in United Kingdom, and will undoubtedly be included in the immediate 20 million can purchase. Japan is Canada's chief competitor in the United Kingdom on canned fish and any disturbance to communications at any time between Europe and the Far East would throw fish business this way.

Another prospective outcome of advantage to Canada might be the opening of some of the surplus fruit and vegetable canning plants that have been idle. This applies particularly to Ontario. Production could be readily increased if there was the demand for the goods. Additional acreage will likely be called for by the larger packing concerns in view of the evident intention of the British Government to import these additional supplies.

A *Million* DEPOSIT ACCOUNTS DENOTE CONFIDENCE
BANK OF MONTREAL
Established 1817
MODERN, EXPERIENCED BANKING SERVICE
. . . the outcome of 119 years' successful operation
HEAD OFFICE MONTREAL

The Store for Men

Change This

To THIS!

DON'T allow foot troubles to spoil your outlook on life — treat your feet to a pair of the famous "M. W. LOCKE" Shoes!

They will keep healthy feet that way, and materially aid unhealthy feet. They're scientifically made to help you tread correctly, and tend to give you a normal posture. Available in various good-looking styles for normal and abnormal feet, including semi-dress models. Exclusive in Toronto with SIMPSON'S, in The Store for Men's new Shoe Department — *STREET FLOOR.*

"M. W. LOCKE" SHOES 10.50

Boots $8 and $11

"Select Comfortable Shoes In Comfort!"

Simpson's

The Future of World Prices

WORLD production of gold has increased from approximately nineteen and a half million fine ounces in 1929 to nearly thirty-five million in 1936. At the same time, the *value* of gold has increased as a consequence of currency devaluations. The net result is that the base on which the world's credit structure rests has been expanded since 1929 by *more than 100%*.

This is a staggering increase of tremendous importance to every investor. It means that there is a far greater supply of credit, or potential credit, in existence now than ever before. And, unless all the lessons of history prove misleading, the materials are at hand for an extensive rise in the World price level. Indications of such a rise are already apparent.

To what lengths will it go and what effects will it have on the holdings of individual investors? These are questions to which we must give constant consideration in shaping and revising the investment programmes of our clients.

We will be glad to send you a copy of our booklet: "The Management of Your Investments."

HODGSON, ROBERTSON & COMPANY
Investment Counsel
437 ST. JAMES ST., WEST, MONTREAL

News of Investments - - Analyses

Investment Analysis

Toronto Elevators

Earnings Available for Dividends on Common Stock Depend Largely Upon Volume of 7% Preferred Conversions

Wide interest in the conversion feature of Toronto Elevators Ltd., 7% preferred stock, which has been called for redemption at 110 on March 8, has resulted in considerable speculation in the common shares.

The significance of the strength in the common is that it has raised the 7% preferred to a substantial premium above the call price. And the premium above 110 in turn reflects conversions of the 7% preferred into common shares. If a major portion of the preferred is converted prior to the redemption date, the result would be a marked dilution of the earnings per common share.

Conversion Position

The 7% preferred shares of $100 each can be converted, one share into three common. At July 31, 1936, the close of the last fiscal year, only 142 preferred shares had been converted, there being 25,426 common shares outstanding. There were also 14,858 of the 7% preferred shares outstanding, convertible into 44,574 common shares. Subsequently a new issue was made of $1.5 millions of new 5¼% preferred to refinance the old stock which was called for redemption. However, the old 7% shares remain outstanding until March when they will be paid off at $110 each.

The question is, should the holder convert his 7% preferred into common stock or take $110 a share on March 8, or should he sell his preferred at the prevailing price around $115 a share? The answer depends largely upon the volume of conversions. The more shares of 7% stock converted, the greater the dilution of the common shares.

Income Comparison

The situation is apparent by examination of the income account for the year ended July 31, 1936. The company's charges for preferred dividends are reduced by more than $25,000 through the change from 7% to 5¼% preferred. But the benefit to the common might be more than swallowed by heavy conversions of the preferred, as shown by adjustment of the actual income as follows:

Toronto Elevators Income Account
Year ended July 31, 1936

	Adjusted $	Actual $
Net earnings	385,312	383,312
Less: Depreciation	124,526	124,526
Interest	42,209	42,209
Income taxes	33,289	33,289
Net profit	185,288	185,288
Less: Pref. divs.	*78,750	†104,006
Available on common	106,538	81,282
*At 5¼%. †At 7%.		
Earnings per common share:		
On 25,426 shares	$4.19	$3.20
On 33,293 shares	3.20	2.43
On 70,000 shares*.....	1.52	1.16

If all 14,858 shares of 7% preferred were converted, it would raise the number of common shares to 70,000. The sharp reduction in earnings per share that would result is shown in the foregoing.

Putting it another way, if there were 33,293 common shares outstanding there would be no arithmetical advantage for the common in the saving of over $25,000 effected by refinancing the preferred. Conversion of 2,622 of the 7% preferred shares would raise the outstanding common to 33,293 shares.

Position of Common

One reason for the current popularity of the common shares is a belief that the dividend may be raised from $1 to $2 a share after redemption of the 7% preferred. This would not be possible on the basis of last year's earnings, however, if there were very heavy conversions of the preferred.

It is felt by some investment men that the company's earnings are stated very conservatively, and this is another reason for some of the buying of the common. This does not alter the fact, however, that the more of the preferred there is converted the less the proportionate earnings per common share and the greater the difficulty in raising the common dividend. Another effect of conversions might be to place arithmetical control of the company in the hands of the investing public.

The situation of the common shares is strengthened by improvement in earnings reported in the current year and by the saving from refinancing of the 7% preferred. However, these benefits would be reduced or even eliminated entirely by marked dilution of the common equity through conversions of the 7% preferred. The situation of the common, therefore, is obscured by an unknown quantity; that is, the volume of preferred stock converted into common by March 8.

King Edward May Get Bid

Offers For Hotel Equity Would Aid 7% Bonds Primarily

At least one offer to purchase King Edward Hotel Co., Toronto, is expected to develop in the near future. It is understood that three groups have been negotiating intermittently with a view to making offers to the 7% general mortgage bondholders.

Metropolitan Life Insurance Co. of New York acquired ownership of the actual building by foreclosure proceedings in 1935. The building is leased and operated by National Trust Co. as trustee and receiver for junior security holders. It is understood that modest operating earnings have been made after paying rent to the Metropolitan Life and that 1936 results showed improvement over 1935.

7% Refunding Issue

The senior bond issue outstanding is $1.1 million of 7% general mortgage bonds on which interest has not been paid since 1931. This issue is secured by first mortgage on the fixtures and equipment of the hotel company.

Possible offers for the property are under discussion primarily from the point of view of the refunding mortgage bonds, The Financial Post is informed. It is suggested that an offer might be acceptable to holders of this issue which would virtually eliminate junior securities.

It is understood that proposals under discussion involve contribution of substantial new capital to the hotel for renovation of the building. Under any offer, it is believed that the 7% refunding mortgage bonds will undergo reduction in principal amount. Hence the suggestion that holders of junior issues may be practically wiped out.

Junior liens outstanding are $200,000 of 6½% general mortgage bonds and $3 millions of 6% debenture stock, which was formerly an 8% issue. There are 20,000 common shares a majority of which are held by United Hotel Co.

Dominion Tar Plans Dividend

Call Meeting to Consider Liquidation of Arrears

From Our Own Correspondent

MONTREAL.—Dominion Tar and Chemical Co. has called a special general meeting of the company's preferred and common shareholders on April 14, to consider plans for liquidation of dividend arrears.

To the end of January Dominion Tar was in arrears on its preferred stock $30.87½ a share and the plan, which the directors have approved, provides for payment of $2 in cash plus two shares of common for each preferred share. The plan also provides for a reduction in the dividend rate thereafter from 6½ to 5%.

At present Dominion Tar has outstanding 50,350 shares of preferred and 272,500 shares of common.

Add to Common Profits

Provided the plan is approved, the company will distribute to the preferred shareholders, $100,700 in cash and 100,700 common shares of no par value. The latter distribution will bring the outstanding common shares to 373,200, which will necessitate an increase in the authorized number of shares which now stand at 300,000 shares.

With Dominion Tar common selling above $16 a share, the value of the proposed distribution is over $3 per share of preferred. As the preferred stock has been selling around $114, the market appears to be placing a value of $80 a share on the proposed 5% preferred.

Under the old set-up, preferred dividends at 6½% required a distribution of $327,275. Under the new plan the dividend requirements will amount to $251,750, a saving of $75,725, or equivalent to about 23 cents a share on the increased common stock outstanding under the proposed plan.

Trippers

Low Week-end Fares Draw 424,548 Travellers to C.N.R. in 1936

From Our Own Correspondent

MONTREAL.—Adoption of economy fares by the Canadian railways has not only proved profitable but has kept a large amount of equipment in service, judged by figures released by the Canadian National Railways.

A train of coaches more than 80 miles in length would be required to accommodate the passengers carried by the C. N. R. on the low-fare week-end excursions during 1936, according to C. W. Johnston, general passenger traffic manager.

Last year the C. N. R. conveyed 424,548 passengers from station to station throughout various parts of the Dominion and across the International border. Of these 304,607 were carried in the central regions; 71,227 in the western regions; 30,915 in the Atlantic region; 1,074 on the Grand Trunk Western Line, extending from the Ontario border to Chicago; and 1,207 on the Central Vermont Railway to and from Montreal and points en route.

NEW PRESIDENT

V. R. Young of the Canadian General Electric Co., has been elected president of the Industrial Advertisers' Association of Ontario, now affiliated with the National Industrial Advertisers' Association Inc., Chicago.

Gt. Lakes Paper On Toronto List

Class A Preferred and Common Quoted—Bond Value Restored

Voting trust certificates representing 90,000 class A preferred shares and 79,991 common shares of Great Lakes Paper Co. have been called for trading on the Toronto Stock Exchange.

The listing covers only the shares in the hands of the public. The capital consists of 100,000 shares each of class A and B preferred and 100,000 common shares. The class B shares are all held by London & Western Trusts Co. as trustee for publishers who buy paper from the company. There were 10,000 of the class A preferred shares and some 20,000 common shares distributed to the liquidator in settlement of claims of unsecured creditors.

Bondholders Recover

Holders of the former 6% bonds of Great Lakes Paper Co. received $600 of new 5% bonds, nine class A shares and eight common shares for each $1,000 of bonds. Market value of the new securities, per $1,000 of old bonds, was approximately $1,030 at the start of trading on the stock exchange.

Great Lakes Paper class A preferred is noncallable and carries cumulative preferred dividends of $2 a share from Oct. 1, 1935. The arrears of dividends will total $3 a share next April 1. There is no possibility of payment at present, because two coupons on the new 5% bonds have been deferred due to the company's need for increased working capital.

The price of nearly $40 a share for the A preferred reflects the eventual possibility that this stock will pay the full dividend arrears as well as the regular annual $2 a share. There is also some hope held under the participation feature on the preferred. After payment of $2 a share on both the A and B preferred, both these classes of stock participate equally with the common in any further dividends.

Reinhardt Stock Ready by March 1

Statement Shows Improvement in Financial Position

Reinhardt Brewery Co., Toronto, has advised shareholders that after March 1 they may exchange five old shares for one new share under the recapitalization adopted late in 1936. The plan reduces the outstanding shares from 885,794 to approximately 177,159.

New certificates are not to be issued for fractional shares but holders will be able to round out their holdings into multiples of five shares by purchase of bearer warrants up to Oct. 31. Shares not changed into multiples of five by next Oct. 31 may be sold by the company, and the proceeds distributed to holders who then would lose the right to new shares in exchange for the old. Exchanges of shares may be made through Trusts & Guarantee Co., Toronto.

Position Better

A statement as at Oct. 31, 1936, covering eight months, shows current assets of $151,731 and current liabilities of $38,022, leaving working capital of $113,709. Bank loan of $70,000 secured by deposit of 6% first mortgage bonds has been retired, and the bonds discharged. The improvement in working capital reflects earnings of the past two years.

The reduction of $314,346 in capital account effected by last year's reorganization has been used largely to write off $137,178 of incorporation expenses and to write off the former accumulated deficit of $165,903. The company shows a surplus of $56,656 and a depreciation reserve of $263,324, which is $46,253 higher than in 1935.

Dom. Stores Shows Profit For 6 Weeks

President Views 1937 Outlook With Confidence

WAGES HIGHER

Having started off the year on the right foot, expectations are that Dominion Stores will show a profit in 1937.

In presenting the 1936 financial statement, E. Gordon Wills, president, reports that operations in the first six weeks of the current year showed a profit compared with a loss in the same period last year. Sales for the first six weeks of 1937 amounted to $2,202,029 as compared with $2,143,486 for the same period in 1936.

While pointing out that results of a few weeks' operations in the chain store business do not necessarily indicate a definite trend, Mr. Wills states that it is reasonable to view 1937 with confidence.

In 1936 the company had a deficit of $65,581, after all charges, compared with a deficit of $610,341 in 1935.

Total sales in 1936 amounted to $19,434,840, an increase over 1935 of $1,559,337, or 8.7%. Practically all of this increase was secured by the selling of more food, tonnage handled in 1936 showing a substantial increase. There were no appreciable advances in retail food prices until August and to date they have not been large, the report states.

Store salaries and wages in 1936, with 488 stores in operation, amounted to $1,688,288. This compares with total salaries of $1,555,547 in 1934 when there were 495 stores.

Quebec Operations

Referring to the discriminatory tendency in chain store taxation in the Province of Quebec, the report shows that total purchases by the company in Quebec are in excess of its sales. Purchases from Quebec companies and individuals at cost in 1936 totalled $5,272,548 while retail sales amounted to $5,008,582.

Steel Wares Discuss Plans

Preferred Arrears Will be Taken in Hand After Refunding

From Our Own Correspondent

MONTREAL. — Further increase in sales and proposed plans for refunding of the outstanding bonded debt were mentioned by John C. Newman, president, in his report to the shareholders at the annual meeting of General Steel Wares.

During January there was an increase of 21% in sales over the corresponding period of last year, and up to the middle of February, there was an increase of 24%.

Pass Bond By-law

Shareholders have approved a special by-law "A" authorizing the directors to issue bonds in connection with the announced intention to refund existing 6% bonds, replacing them with a new issue, carrying a lower coupon.

Negotiations are now being conducted for the refunding on terms which will be advantageous to the company. It is expected to take place around the end of April, at which time a new issue will be placed on the market through a syndicate headed by Dominion Securities Corp.

Plan for Preferred

In connection with the preferred stock, in which there are dividend arrears of approximately 42%, Mr. Newman announced that after the refunding operation has been completed, a special meeting of preferred and common shareholders will be called for the purpose of considering the situation.

Spruce Falls Calls Bonds

Redemption of 5½% Issue Removes Public Investment Interest

Spruce Falls Power & Paper Co. has called for redemption at 101½ on April 1, 1937, all its outstanding 5½% first mortgage bonds. They are payable in U.S. funds at the First National Bank of Chicago.

It is understood that the redemption will be financed by bank loan and that there will be no public offering of new securities. The redemption therefore removes the public investment interest in the company.

Spruce Falls Power & Paper Co. is controlled by Kimberly-Clark Corp. and the New York Times. The former buys all the surplus output of sulphite pulp from the Spruce Falls mills and the New York Times buys most of the newsprint output.

The Spruce Falls 5½% bonds were issued in 1927, and by April, 1936, the amount had been reduced to $9 millions through serial maturities which started in 1930. Serial maturities in the current year reduce to $8 millions the amount of bonds to be redeemed at 101½.

Hinde & Dauch Acquires More Toronto Property

Hinde & Dauch Paper Co. of Canada has purchased more property in Toronto.

It is reported that definite plans have not been formulated for new construction. If a building is erected, it would probably be for storage rather than manufacturing.

Coupon Stocks Present Puzzle for the Investor

One of the hardiest of stock market perennials is the puzzle of investors over dividend coupons on shares such as B. A. Oil, Imperial Oil, International Petroleum, Canada Malting, Supertest Petroleum and a few others.

The question about payment of dividends by coupon invariably arises when the investor sells registered shares after the ex-dividend date.

One instance illustrates all. An investor who owned B. A. Oil shares registered in his name, sold them late in December, well after the Dec. 15 ex-dividend date. On Jan. 2 he received a cheque for dividends at the rate of 40 cents a share. About the same time he also got a claim from his stockbroker for the dividend on the shares he sold. Alas, he must give up the dividend.

Two Types of Certificates

The answer to the conundrum is that there are two kinds of stock certificates issued by the companies in question. The shareholder can have his stock registered and receive dividends by cheque. Or he can take bearer certificates with coupons for dividends.

When it comes to dealings on the stock exchange, all transactions must be satisfied by delivery of bearer certificates with the coupons attached. This is where the confusion arises. The shareholder who sells such stocks, even while they are ex-dividend for registered certificates, is nevertheless obliged to observe the rules of security markets and to deliver the dividend along with the stock.

Shares issued in the form of bearer certificates with dividend coupons attached are almost invariably ex-dividend for stock exchange trading only on the date of payment, or possibly one or two days before the payment date.

The holder of a registered certificate for B. A. Oil may sell it, say, on Dec. 16. The regulations under which he made the transaction call for delivery of the shares, with dividends, right up to the end of December. Since he was a registered shareholder on the books of the company on Dec. 15, the ex-dividend date, he receives a dividend cheque for the Jan. 2 payment. But he must surrender the dividend to the buyer of the shares, who made the purchase well in advance of the stock exchange ex-dividend date.

In brief, the company requires an ex-dividend date some time in advance in order to have cheques prepared for mailing. But the stock exchanges have another ex-dividend date, based on the bearer certificates in which all trading is conducted.

Apparently the only lasting remedy would be for the companies to issue only registered certificates. It would save many disputes.

Montreal Cottons Ltd. Pays Common Dividend

From Our Own Correspondent

MONTREAL. — Montreal Cottons Ltd., controlled by interests associated with Dominion Textiles, has declared a dividend of 50 cents a share on its common stock, payable March 15 to shareholders of record Feb. 27. This is the first common dividend since the payment of $1.50 a share was made on Dec. 15, 1932.

Transfer Agent and Registrar

●

Experienced, Obliging Services
Enquiries Invited

●

Crown Trust Company

WILLIAM I. GEAR, President.
JOHN JENKINS, Vice-President. IRVING P. REXFORD, Gen. Mgr.
Executors Trustees Financial Agents
393 ST. JAMES STREET WEST, MONTREAL

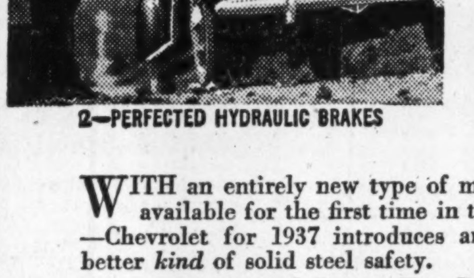
G. S. HOLMESTED
Licensed Trustee in Bankruptcy
Liquidator, Receiver, Etc.
McKINNON BUILDING - TORONTO, ONT.

The Most SAFETY for the Money!

THERE'S NO DELAY WHEN YOU ORDER A NEW CHEVROLET

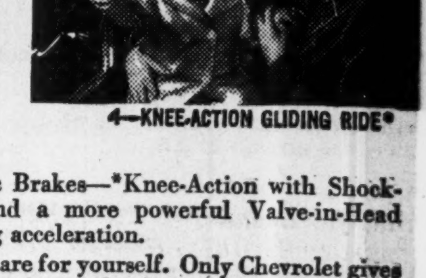
1—UNISTEEL TURRET TOP BODIES BY FISHER

THE ONLY LOWEST PRICED CAR WITH ALL FOUR!



2—PERFECTED HYDRAULIC BRAKES

3—SAFETY GLASS IN EVERY WINDOW



4—KNEE-ACTION GLIDING RIDE*

WITH an entirely new type of motor car body—now available for the first time in the lowest price field—Chevrolet for 1937 introduces an entirely new and better *kind* of solid steel safety.

These new Unisteel Turret Top Bodies by Fisher are built like a bridge-span . . . solid steel body construction upon a solid steel framework. They feature the famous, protecting, one-piece Turret Top. They are *silent* bodies. They have Safety plate glass all around.

And Chevrolet safety goes farther than that, to give you perfected Hydraulic Brakes—*Knee-Action with Shockproof Steering—and a more powerful Valve-in-Head Engine for lightning acceleration.

See, drive, and compare for yourself. Only Chevrolet gives all these features at prices so low! *On Master De Luxe Models.

$732 (2-Pass. Business Coupe) AND UP
MASTER DeLUXE MODELS FROM $819
Delivered at factory, Oshawa, Ont. Government taxes, license and freight additional.

Monthly payments to suit your purse on the General Motors Instalment Plan.

NEW CHEVROLET 1937
"The Complete Car... Completely New"

C-D

See, DRIVE and COMPARE the new Chevrolet Models on display at your local dealer's showrooms.

G·H· Wood's
Liquid Toilet Soaps and Soap Dispensers

G. H. WOOD & COMPANY LTD.
Toronto and Montreal
Branches in most important cities

Investment Trends

Investment in Stocks Support for Prices

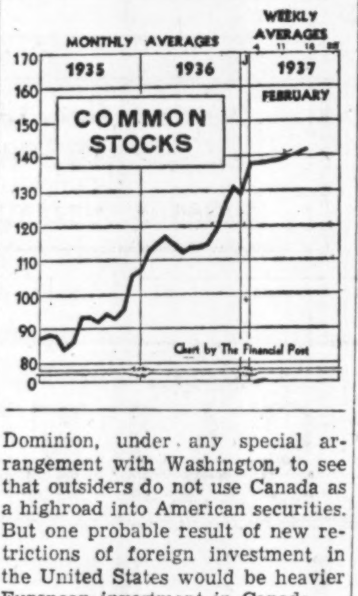
Liquidation by Important Accounts Means Increase in Funds for Reinvestment — International Nickel Justifies 1929

Increasing scepticism among investment men over the prolonged rise of stocks is taken by some observers of the market to reflect liquidation of holdings by important accounts. If this be so, the situation has an important dual aspect: while stocks may have been transferred to weaker hands, there is a large volume of liquid funds awaiting reinvestment as a support for recessions. Meanwhile, demand for investment securities is growing especially because corporation bond redemptions and increasing dividends have placed new funds in the hands of investors.

While the volume of funds available for investment is growing, there has been little expansion of the volume of securities in Canada. Even with the wide speculation that has been growing in the past two years, therefore, it is hardly likely that any weakness in stocks would last more than a few months.

Base metal shares which have been favored for months by professional investors at the expense of gold shares continue in high esteem. Sudden advances in prices, of course, are subject to the usual setbacks, but the outlook for firm prices for base metals is regarded as good.

Restrictions on foreign investment in the United States would be expected to bring "hot money" from Europe into Canadian securities, and while the first effect would be to strengthen prices the ultimate danger would be in the possibility of weakness from sudden withdrawals of funds.



Await Outcome

WHILE the Toronto Stock Exchange average for industrials has run close to 180, averages for Montreal Stock Exchange industrials and Wall Street prices have strengthened only slightly in the past few days. Students of the averages, particularly for New York, still regard the situation as developing into a test which is as likely to indicate a further temporary advance as the reverse. Market advisors are therefore inclined to advise investors to maintain holdings of common shares until indications are more definite.

The New York situation, which is usually followed by Canadian markets, is that railway shares have been within striking distance of the high point for 1936. The Dow theory of appraising market trends in New York suggests that if the rail share average breaks sharply through the 1936 high of 60, it will indicate a further subsequent rise of prices.

Analysts pronounce the temporary trend of prices as uncertain but as more likely to develop upward than not. At the same time, warnings are given that even if there is another period of temporary advance there will be the danger of a recession of substantial size because of the pronounced advance without major interruption since March, 1935. The longer-term trend of prices is regarded definitely as upward.

* * *

Nickel's Record

A LEADING American advisory service recommends International Nickel in these words:

"Based upon the material improvement in earnings during 1936, the excellent prospects for the present year, and the recently increased dividend, we again call attention to International Nickel common, selling currently around 72, as an attractive purchase for long-term holding."

Nickel shares have at last broken through the former record high established in 1929, and although the stock seems invariably to be at a "high" price, there is greater justification for a quotation in the 70's today than there was in 1929. The following figures demonstrate the contrast:

International Nickel Comparison

	1936-'37	1929
Earned per share	$2.40*	$1.47
Dividend rate	$2.00	$1.00
Yield	2.7%	1.4%
Prime bond yield	3.3%	5.0%

*Estimated.

With yields of 5% available on gilt-edged bonds in 1929, there was hardly justification for a yield of only 1.4% on International Nickel. With government bonds yielding an average of only about 3.3% today, International Nickel returns over 2.7% at the current price and dividend rate.

In the long run, common shares should pay bigger returns than government bonds, but at least Nickel appears to have a better chance of increasing its earnings in a period of recovery than it had in 1929 at the top of a boom. In fact, Nickel must expand earnings and dividends even more to warrant present prices for the shares. The stock market appears to be counting on this proof of the pudding on the evidence of the company's demonstrated ability to make new records in both earnings and dividends. It can now be said that Nickel has justified the optimists of 1929.

* * *

Funds for Canada?

ALREADY there is some concern among Canadian investors over the possibility that the U. S. government, in trying to control the flow of foreign capital into Wall Street, may interfere with Canadian investments.

If the United States imposes special taxation on all foreign investment, it would be a burden to Canadians as well as to the Europeans whose flight into dollar securities is responsible for the proposals to control investments by outsiders. There is also the possibility, however, that the peculiar financial intimacies between Canada and the United States might be protected by agreement between the governments.

It might be necessary for this Dominion, under any special arrangement with Washington, to see that outsiders do not use Canada as a highroad into American securities. But one probable result of new restrictions of foreign investment in the United States would be heavier European investment in Canada.

Reports that the British Treasury has suggested that investment trusts and insurance companies refrain from excessive purchases of U. S. securities apparently indicates cooperation with U. S. treasury policy to moderate outside buying in Wall Street. As with any U. S. interference with outside investment in American securities, the effect may be to increase the flow of capital into Canadian securities.

* * *

Earnings Understated

THERE was rarely a time when so many corporations used the most conservative methods in stating earnings in official reports. One reason for the inclination to understate earnings is the mistaken idea that grew up in the depression that it is shameful to make profits. Another reason is that share-pushing has not required artificial stimulants, and still another is that corporations that have weathered a severe depression are putting something aside in memory of the rainy days.

The important point for the investor is that the recovery of corporation earnings is probably even better than it appears. In the long run it makes the dividend prospects brighter.

* * *

Inflationary Scene

ALTHOUGH Canadian loans on securities are rapidly climbing, money rates remain low and there is little but verbal warning to interfere with continuation of the speculative trend. In the United States, loans of stock exchange firms on securities remain low, despite the pronounced climb of prices of the past few years. The significant fact is that expansion of credit promises to continue to make itself felt as an influence for support of higher share prices.

Even though the maximum direct effects of low interest rates on bonds may already have been fully reflected in lower yields and rising prices for stocks, continued easiness of borrowing on securities can contribute to further stock market advances.

Canada Bread Pays Preferred Dividends

Canada Bread Co. has declared a dividend of 62½ cents a share on the class B preference stock and the regular quarterly dividend of $1.25 a share on the first preferred. Both dividends are payable April 1 to shareholders of record March 15.

The declaration marks the second payment on the class B preferred at the full rate of 62½ cents. The shares are thus on the annual dividend basis of $2.50, or 5% on the $50 par value. This leaves arrears of dividends on the class B preferred at $2.62½ a share.

C. P. R. New Trust To Cover Stock

From Our Own Correspondent

MONTREAL. — An equipment trust agreement dated Feb. 1, 1937, between the Canadian Pacific Railway Co. and the Royal Trust Co., as trustee, creating the C. P. R. Equipment Trust, series D, 1937, has been deposited with the Secretary of State. A contract also has been deposited covering the terms and rentals of certain railroad equipment and rolling stock.

Beyond saying that "the information will be available later," the company has nothing to say as to the number and type of equipment involved in the contract or the amount of the series D certificates issued.

Griffis, Norsworthy Ltd.

Griffis, Norsworthy Ltd., Toronto investment firm, announces acquisition of the business of Griffis, Fairclough & Norsworthy. The new firm remains in the same offices as the predecessor.

Anglo-Canadian Revises Capital

Telephone Holding Company Secures Authority for Changes

From Our Own Correspondent

MONTREAL.—Supplementary letters patent have been taken out by Anglo-Canadian Telephone Co., covering a reduction in the capital stock of the company from $15.5 millions to $12.2 millions, the reduction being effected by cancelling the outstanding 66,000 shares of 7% cumulative preferred stock by the allotment and issue of one fully paid share of 5½% cumulative peferred stock and payment of $2.50 in cash for each share.

Subject to confirmation by supplementary letters patent, 34,000 authorized unissued shares of 7% cumulative preferred stock are converted into 34,000 shares of 5½% cumulative preferred stock of a par value of $50 each.

At the same time the authorized capital stock of the company, as above reduced, is increased from $12.2 millions to $18 millions.

Investment Notes

Lake Shore, Nickel—Purchase of 300 shares of Lake Shore and sale of 1,000 shares of International Nickel in the last half of 1936 is reported by General Capital Corp., American investment trust. This is in contrast with many trusts which have been selling gold stocks and buying base metals.

* * *

Shawinigan—Significant of increasing British interest in Canadian stocks, "Magpie" comments favorably on Shawinigan and **Quebec Power** shares in the Stock Exchange Gazette, London. Of Shawinigan, he says: "At the present price of 32, the shares are a very attractive lock-up. During 1928 and 1929 the price was well over 100, and although I do not for a moment suggest that they are going to get back to that level, I do seriously suggest that a buyer today will, in 18 months time be very well satisfied." He adds that his remarks on Shawinigan "apply with equal force" to Quebec Power.

* * *

B. C. Power — Current income of this company continues to show a favorable trend. For the seven months to the end of last January, net income was $101,797 ahead of the corresponding period of the preceding year.

* * *

Southern Canada Power — A steady, though minute increase in net income after all charges, including dividends, is currently reported by Southern Canada Power. During the four months ended January, 1937, there was a surplus of $16,223, as compared with $6,964 for the like period in the previous year.

* * *

Burns & Co.—Improvement programme at the company's north Edmonton plant costing some $200,000 is practically complete and is expected to result in operating economies.

* * *

Dome Mines—Frederick Burnett, a Toronto director, increased his holdings to 500 shares by acquisition of 300 in December.

* * *

Int. Paper & Power — Albert H. Wiggin, a New York director, in December indirectly disposed of 5,900 class A common shares, 5,000 class B common, 16,900 class C common and 27,478 preferred; but for three trust investments acquired 8,000 preferred shares. This seems to confirm investment opinion that the preferred is more desirable than the common, especially as it gets an interest in the equity.

* * *

National Biscuit Co. — H. M. Hanna, a director, decreased his holdings from 2,100 to 2,000 shares in December.

* * *

Pantepec Oil—Tocuyo Securities Co., control of which is not revealed in reports, acquired 91,121 shares in December bringing total holdings to 233,113 shares.

* * *

Brazilian Traction—Inevitable accompaniment of a marked rise, stock market talk is of much higher prices for the stock on optimistic hopes of a full recovery of pre-depression prosperity for Brazil.

* * *

Price Bros. & Co.'s new bond issue was quickly oversubscribed. Dealer demand necessitated closing the books during the first day of the offering. Investors are reported to have taken up the issue very rapidly and, judged by the early demand, a larger issue could have been placed without difficulty.

* * *

St. Anthony Gold—D. M. Bellingham, director, decreased his holdings from 487,500 to 472,500 shares in December.

* * *

Beauharnois — Hopes for a new contract with the Ontario Hydro have become even dimmer with recent pronouncements from the Government viewpoint. Stock market optimism now centres on the hope that power may be sold across the U. S. border.

* * *

Dosco—The B stock of Dominion Steel & Coal Co. recently came in for considerable attention and advanced above $20 a share, later receding below 20. At this point, the stock seems to be discounting anticipated improvement for some time to come.

* * *

Canada Wire & Cable—Directors are understood to be considering a plan for liquidating the arrears of dividends on the preferred stock, which now amounts to just under $20 a share.

* * *

C.P.R.—In the issue for Feb. 13, The Investors' Chronicle, London, comments that the 4% preferred stock "seems high enough at 52, especially bearing in mind the fact that wheat traffic was probably exceptionally heavy last year." It adds that the common shares, by the same token, "seem very fully valued at 16⅞ until the position is clearer."

* * *

Cosmos Imperial—Earnings per share on the 100,000 common shares outstanding at the end of 1936 can be calculated in many different ways. But the important point appears to be that the present dividend rate of $1 a share is covered comfortably if the nonrecurring item for refinancing costs be excluded from expenses for 1936.

* * *

Canada Packers—The recent trend of improvement in the meat packing business is believed likely to be reflected in earnings for the year which closes March 31.

* * *

Canadian Bakeries—Experienced investment opinion is that the marked improvement in earnings of Canadian Bakeries Ltd., shown in the last statement, and which has continued subsequently, may allow avoidance of a capital reorganization. The inference is that some dividends should become possible for the first preferred on which no payment has been made since Sept. 15, 1931. Arrears total $40 a share.

Significant Investors' Index Numbers

1926 — 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Indust. mines 2	Total industrials 68	Total utilities 19	Total co's. 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	74.9	56.0	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Weekly Figures, 1937:												
Feb. 4 ..	161.0	38.6	120.2	229.7	78.8	185.0	140.2	198.6	553.4	222.5	71.2	139.0
Feb. 11 ..	165.5	36.0	120.0	228.1	78.5	187.2	138.6	201.2	552.7	222.6	72.4	139.5
Feb. 18 ..	163.7	36.7	119.3	231.1	79.4	189.9	138.7	205.6	572.8	226.1	73.5	141.4

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Feb. 23	177.76	155.90	209.41
Feb. 22	181.59	154.48	214.05
Feb. 20	177.84	155.99	208.65
Feb. 19	176.90	157.44	206.69
Feb. 18	175.01	159.22	202.87
Feb. 17	174.27	160.73	200.25
Month ago ..	167.16	161.27	195.86
Year ago ...	143.48	132.95	143.46
High, 1937 ..	181.59	168.59	214.05
Low, 1937 ...	163.39	156.48	193.84

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Feb. 23	91.0	113.7	106.2
Feb. 22	92.2	115.6	107.8
Feb. 20	92.5	113.3	106.4
Feb. 19	92.3	113.4	106.4
Feb. 18	91.5	112.1	105.2
Feb. 17	91.6	112.3	105.4
Month ago	88.5	110.8	103.3
Year ago	72.9	76.0	75.0
High, 1937	92.5	115.6	107.8
Low, 1937	86.2	107.8	101.3

Price Bros. Earnings Show Sharp Expansion

Income Last Nine Months of 1936 More Than Double 1935

From Our Own Correspondent

MONTREAL. — Price Bros. and Co. report total income during the nine months ended Dec. 31, 1936, of $1,156,674. This is after charging interest on bank and other loans, but before interest on funded debt, depreciation and depletion. Depreciation and depletion charges during the nine months period totalled $894,237, leaving a net revenue of $262,437.

The showing made during the inter-period represents a marked improvement in earning power compared with that reported for the year ended Mar. 31, 1936. In that period the company had a total income of $534,321, against which there was a depreciation and depletion charge of $1,363,068. Earnings reported for the nine months ended last December were greater than for any year reported by the company since 1931.

The marked improvement in operations of the company is set forth in a special report of the trustee in bankruptcy supplied to the directors in connection with the current financing. In explaining the sharp drop in earnings in 1927, it is pointed out that in the fiscal year ended Feb. 28, 1927, the company manufactured 201,382 tons of newsprint and only 129,821 tons for the 13 months ended Mar. 31, 1933. While production increased from 243,973 tons for the nine months ended Dec. 31, 1936, the average annual production, during the period of 10 years and 10 months was only 186,000 tons.

Production of the company's newsprint mills has been increased during the past 12 months. Since the beginning of June last, all machines have been in operation for the first time since their installation and are giving the highest output in the company's history.

Price Increase

The official contract price of newsprint for the eastern United States market was increased to $41 a ton for 1936 and to $42.50 a ton as from Jan. 1, 1937. While the bulk of the company's newsprint sales are made to North American customers, a portion is sold in Australia, New Zealand and South America. As prices in these latter markets are now considerably strengthened, the average obtained from the company's production during the current year will compare favorably with the average for the industry as a whole.

Look for Gain 1937-38

Based on its present prices for newsprint, lumber, etc., and upon actual current production costs, it is estimated that the company's earnings available for interest charges, depreciation and depletion for the year ended Mar. 15, 1938, will be not less than $2,450,000.

On the basis of the new capital set-up and allowing $1.25 million for depreciation and depletion, net income should be sufficient to cover interest charges on the first mortgage bonds, debentures, and the greater part of the dividend on the preferred stock. However, a resumption of dividends on the capital stock will be dependent upon the net working capital position of the company, as the trust deed securing the new bonds provides that no dividends can be paid which would reduce net current assets below $5 millions after payment of dividends.

Security Offerings

Price Bros. & Co.

From Our Own Correspondent

MONTREAL. — Royal Securities Corp. heads a syndicate making public offering of $15 millions of first mortgage bonds of Price Bros. and Co. This completes new financial arrangements for the reorganization of the company.

The issue is divided into $3 millions of serial 3% and 3½% bonds and $12 millions of 20-year 5% bonds. The serial bonds will be retired in three blocks of $500,000 each and two blocks of $750,000 each by 1943. For the balance, a sinking fund will be set up which will retire about 60% of the bonds by maturity.

Particulars of the issue follow:

$15,000,000
PRICE BROS. AND CO. LTD.
First Mortgage Bonds
$3,000,000 serial 3% and 3½% bonds
$12,000,000 20-yr. 5% bonds

Principal and interest payable in Canadian funds only. Redeemable on 60 days notice at various premiums set forth in the trust deed.

Capital—	Authorized	Issued
1st mtge. bonds	$25,000,000	$25,000,000
4% 2nd mtge. deb.	4,268,300	4,268,300
5½% red. pfd. shs.	6,284,300	6,284,300
Common shs., n.p.v.	679,084 sh.	*536,807 sh.

*In addition 142,277 shs. will be reserved for conversion of 4% debentures.

Purpose of Issue—Proceeds of sale of first mortgage bonds and the debentures will be applied to repayment of moneys borrowed to discharge previously outstanding first mortgage bonds and toward discharge of all payments and expenses necessary to release the company from bankruptcy.

Timber Holdings—The company controls approximately 9,000 square miles in Quebec, of which 8,775 square miles are held under Crown licenses and about 232 square miles of freehold land.

Power Supply—The company has installed 22,200 h.p. mechanically connected and 50,990 electrical h.p. The company has also undeveloped power sites and in addition, secures power for the River Bend mill from the Saguenay Power Co.

Security—Secured by a first mortgage.

Earnings—Total income after charging interest on bank and other loans, but before interest on funded debt, depreciation and depletion, amounted to $1,156,674 in the nine months ended Dec. 31, 1936. Earnings for the year ending Mar. 31, 1938, are estimated at not less than $2,450,000.

Offered—Serial bonds are offered at 100 and accrued interest and the 20-year bonds at 99 and accrued interest by Wood, Gundy & Co., W. C. Pittfield & Co., Dominion Securities Corp., Nesbitt, Thomson & Co., R. O. Sweezey & Co. and Drury & Co.

Southern Canada Power

From Our Own Correspondent

MONTREAL.—Nesbitt Thomson and Co. announces the sale of $6 millions of 4½% first mortgage bonds, series A, of Southern Canada Power Co. Proceeds of this issue will be used by the company to retire the old bonds, which are payable as to principal and interest in the three-way market. The current issue is payable in Canadian funds only.

Particulars of the issue follow:

$6,000,000
SOUTHERN CANADA POWER CO.
4½% 1st mtge. bonds, series A
Dated: Apr. 1, 1937. Mature: Apr. 1, 1962.

Issue can be redeemed on 30 days notice at 115% if redeemed on or before April 1, 1938, and thereafter at 3/5 of 1% less for each subsequent year; in the event of involuntary liquidation, at 110% if redeemed on or before April 1, 1938, and thereafter at 2/5 of 1% less for each subsequent year.

Earnings—After providing for depreciation and after deducting bond interest and dividends on the bonds and capital stock of subsidiaries held by the public, but before providing for bond interest and income tax of the company, earnings amounted to $1,187,846 for the year ended Sept. 30, 1936. Annual interest requirements on this issue total $270,000.

Security—The security for these bonds is the same as applying to the 5% bonds, dated Oct. 1, 1925, which have been called for redemption.

Offered—By Nesbitt, Thomson & Co. at 107.85 and accrued interest, yielding over 4%.

New Issue
Price Brothers & Company, Limited
5% First Mortgage Bonds
To mature March 1st, 1957.
Denominations: $500 and $1,000.
Price: 99 and interest, yielding 5.08%

Established in 1817, the business of Price Brothers & Company, Limited has grown until today the Company is one of the foremost manufacturers of newsprint and lumber in Canada. The Canadian newsprint industry has recently recorded new high production levels, and the lumber industry is also expanding.

Descriptive circular will be forwarded upon request.

Wood, Gundy & Company
Limited

Toronto
Montreal
Winnipeg
London, Eng.

86 King Street West
Toronto
TELEPHONE: ELGIN 4321

Ottawa
Hamilton
Vancouver
London, Ont.

PLAYFAIR & CO.
200 BAY ST., TORONTO
ADelaide 6001

Members:

TORONTO STOCK EXCHANGE
WINNIPEG GRAIN EXCHANGE
CANADIAN COMMODITY EXCHANGE

Stuart B. Playfair Harold L. Trapp Thomas H. Lennard

WILLIAMS, McLEAN & BELL
MEMBERS TORONTO STOCK EXCHANGE
DIRECT PRIVATE WIRES TO
TORONTO · MONTREAL · NEW YORK

HEAD OFFICE
TORONTO
25 RICHMOND ST., W.
ADELAIDE • 4902

BRANCHES
66 YONGE ST.
ADELAIDE • 6061
297 BAY ST.
ELGIN • 8124

BRANCHES
HAMILTON • IMPERIAL BLDG. • MAIN and HUGHSON STS. • BAKER 1125-7-8
SUDBURY • 8 CEDAR STREET • TELEPHONE 1380
CORRESPONDENTS
STRATFORD • ROCHESTER • ST. CATHARINES • WELLAND • BURLINGTON

All of this issue having been sold, this advertisement appears as a matter of record only.

NEW ISSUE

$6,000,000

Southern Canada Power Company,
Limited

4½% First Mortgage Bonds, Series "A"

To be dated April 1st, 1937 To mature April 1st, 1962

Principal and semi-annual interest (April 1st and October 1st) payable in lawful money of Canada at the holder's option in the Cities of Montreal, Toronto or Winnipeg. Coupon Bonds, registerable as to principal only, in the denomination of One Thousand Dollars ($1,000) each and Fully Registered Bonds in the denomination of One Thousand Dollars ($1,000) and multiples thereof. Redeemable in whole or in part at the option of the Company at any time prior to maturity on 30 days' notice at the following premiums: (a) in the event of voluntary redemption, at 115% if redeemed on or before April 1st, 1938, and thereafter at 3/5 of 1% less for each subsequent year or portion thereof; (b) in the event of involuntary redemption, at 110% if redeemed on or before April 1st, 1938, and thereafter at 2/5 of 1% less for each subsequent year or portion thereof; in each case together with accrued interest to the date of redemption.

Trustee: Montreal Trust Company

PRICE: 107.85 and accrued interest, yielding over 4%

Legal opinion by Mr. E. R. Parkins, K.C., and Messrs. Stairs, Dixon & Claxton

A prospectus, a copy of which has been filed with the Secretary of State of Canada, in accordance with the provisions of The Companies Act, 1934, will be promptly furnished on request

NESBITT, THOMSON & COMPANY
Limited
355 ST. JAMES STREET WEST, MONTREAL
Branches in the principal cities of Canada

NEWSPRINT

Newsprint Production of North America Sets New Record in January

We have prepared in booklet form different articles in regard to the conditions facing this industry at the present time.

A copy available on request.

T. E. ROGERS & COMPANY
LIMITED
380 BAY STREET, TORONTO - ADelaide 1054

WRIGHT HENDERSON & Co., Ltd.
Investment Securities
Telephone MA. 6367
231 St. James St. W. Montreal

Bond Markets

Weakness Continues In Government Bonds

Bank of Canada Report Draws Attention to Repatriation of Canadian External Indebtedness

Despite the sharp drop in prices of high-grade Government bonds, little demand has developed. The market, as a result, continues soft, although offerings are small. There are, however, some indications that the corrective period is drawing to an end. Some issues have reacted from their recent low points.

Bonds of the four western provinces have recorded sharp advances, reflecting improved sentiment with regard to future prospects. Investors are hopeful that the proposed royal commission which will investigate federal and provincial financial relationships may find a solution for Western Canada's problems. In any event, it eliminates any immediate possibility of default.

Although there has recently been a congestion of securities in the bond market, refunding issues have been announced by Price Bros. and Southern Canada Power. Both issues have had excellent reception.

Moving in sympathy with high-grade Government bonds, corporation issues have weakened slightly. Trading, however, has been quiet.

With the exception of Great Lakes Paper 5's, newsprint issues have declined from their recent highs.

Repatriation

GRAHAM F. TOWERS, governor of the Bank of Canada, in addressing the annual meeting of shareholders, drew attention to the fact that a combination of circumstances has greatly encouraged the repatriation of a substantial amount of Canadian external indebtedness.

Several factors have contributed to this trend. For one thing, Canada's balance of international payments has been exceptionally favorable; and for another, conditions in the domestic market have facilitated the issue of bonds payable in Canadian dollars to replace obligations in other currencies.

"It is not possible," according to Mr. Towers, "to state the exact amount by which our external indebtedness has decreased, but there are various ways in which we can gain some idea of the sums involved. For example, we know that the net retirement of issues payable in other currencies (including optional payment bonds) was about $202 millions in 1936. Some of these bonds, of course, were owned in Canada, and to that extent the refunding has not produced any net change, although it has relieved the borrower of the liability to pay in U.S. dollars or sterling.

"Preliminary estimates of our balance sheet of international payments during 1936 indicate that we have available over $300 millions on current account; that is, after making allowance for all items other than capital movements. Of this favorable balance, provisional estimates put the amount used for repatriation of obligations held outside the country at $145 millions.

"Taking into consideration the amounts retired in 1935, and under way this year, the record is a surprisingly favorable one. We should, I think, guard against repatriation on a scale, or at a speed, which overestimates the powers of absorption of our bond market, or imposes a strain on the Canadian dollar. Of the latter development there is, as yet, no sign, but there are indications of some congestion in the market for securities."

* * *

Trade in Securities

TRADE IN securities between Canada and other countries recorded a very substantial increase in 1936. According to the Dominion Bureau of Statistics, sales by Canada to all other countries were $419.6 millions and purchases by Canada $411.7 millions, making a total trade of $831.3 millions. This compares with a total trade of $552.5 millions in 1935. Not all of this increase is due to heavier transactions, the rise in prices of securities, particularly of common stock, being responsible for part of the expansion.

While total transactions increased, foreign capital was a much smaller factor in the Canadian security market in 1936 than in 1935. The new inflow of foreign capital during the year, that is, the excess of sales by Canada to other countries over purchases by the Dominion, was only $7.8 millions as compared with $51 millions in 1936.

The outstanding development of the year was the pronounced change in trade between Canada and individual countries. In 1935, Canada sold to the United States $67 millions more securities than she bought from that country. In 1936, on the other hand, Canada bought $8 millions more securities from United States than she sold to that country.

In 1935, British investors were liquidators of Canadian securities, but, in 1936, they again became purchasers, sales by Canada to Great Britain exceeding purchases from that country by $12 millions. Purchases by Canada from Great Britain in 1935 exceeded sales to Great Britain by $13 millions.

During the latter part of 1936 trade in Canadian and U.S. preference and common stocks formed a larger part of the total than formerly.

* * *

Bond Index

THE TREND of the high-grade market is indicated below:

The Financial Post Index of Average Price and Yield of High-Grade Govt. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Feb. 23	113.39	3.330	Feb. 22	113.88	3.371
Feb. 22	113.75	3.299	Feb. 21	113.77	3.378
Feb. 20	113.89	3.291	Feb. 20	113.68	3.387
Feb. 19	113.89	3.291	Feb. 19	113.66	3.388
Feb. 18	113.71	3.301	Feb. 18	113.75	3.383
Feb. 17	113.57	3.313	Feb. 17	113.64	3.390
Year's	116.81	3.026	Year's	117.91	2.966
Range	113.57	3.313	Range	111.50	3.597

Railway Men Secure Ballots

Union Executives Ask for Mandatory Powers from Members

From Our Own Correspondent

MONTREAL.—Ballots have been distributed to approximately 117,000 Canadian railwaymen in order that the executives of the unions may receive a clear-cut mandate from the members as regards the next step in wage negotiations.

The ballot, in effect, gives the executive power to do what it thinks best under the circumstances. While the majority of the men may vote for a strike in their endeavor to have the 10% wage cut completely abolished, their vote will not make it mandatory, nor will it shut the door to compromise between men and management on a basis other than that of complete abolition of the big cut.

It is not expected that the returns will be complete before the end of the month.

Montreal Power Bonds Will Run to Maturity

From Our Own Correspondent

MONTREAL. — Montreal Light Heat and Power Consolidated will not redeem its outstanding 3% debentures before the maturity date of July 1, 1936, even though the company has the right to call for redemption at $50 at any time after July 1 next, according to an official statement made by John S. Norris, president of the company. He said that the interest cost is regarded by the company as quite satisfactory and that consequently the debentures will be allowed to run to maturity.

Conversion privilege attached to the debentures, however, expires July 1, 1937. Under this privilege, a holder may convert each debenture into one share of common stock. As the debentures have been commanding a higher price than the shares, there has been no profitable inducement to exercise this privilege up to the present time.

Montreal Debenture Board

From Our Own Correspondent

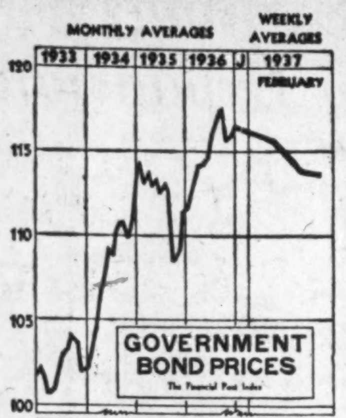
MONTREAL.—The Quebec Government has given approval to a special by-law of Montreal Debenture Corp., reducing the number of directors in the company from 7 to 5.

PRICE BROS.
AND
COMPANY LIMITED
20 Year 5% 1st Mortgage
BONDS
due 1st March, 1957
Price 99 and accrued
interest
Full particulars on request.
HANSON
BROS.
INCORPORATED
Established 1883
255 St. James Street,
MONTREAL
OTTAWA TORONTO

CAPITAL
supplied meritorious Canadian enterprises requiring additional funds for expansion or other legitimate corporate purposes.
Please state requirements and details of organization, past history and present status.
All communications kept in strict confidence.
Prompt action. No "red tape".
Nye E. de Mers,
411 Transportation Bldg.
Montreal, Quebec
Phone Harbour 2532

CANADIAN
FUND

Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.
CALVIN BULLOCK, LTD.



Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass ..	20c	Mar. 1	Feb. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Aluminium, pf. ...	$1.50	Mar. 1	Feb. 24
Anglo. Can. Tel. A	12½c	Mar. 1	Feb. 15
Bk. of Montreal ..	$2	Mar. 1	Jan. 30
Bank of Toronto ..	$2.50	Mar. 1	Feb. 15
Banque Can. Natle.	$2	Mar. 1	Feb. 15
Borden, com.	40c	Mar. 1	Feb. 15
Belding Cort.	$1	Apr. 1	Mar. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Biltmore Hats, pf.	$1.75	Mar. 15	Feb. 15
Bk. of N. Scotia ..	$3	Apr. 1	Mar. 16
Canada Starch, pf.	$3.50	Feb. 15	Feb. 8
Can. W. N. Gas, pf.	$1.50	Mar. 1	Feb. 15
Can. Vinegars	30c	Mar. 1	Feb. 1
Can. W. & C. pf.*	$1.75	Mar. 20	Mar. 1
Can. Cottons	$1	Apr. 1	Mar. 19
Do., pref.	$1.50	Apr. 1	Mar. 19
Can. Indus. A, B ..	$1.50	Apr. 30	Mar. 31
Do., pref.	$1.75	Apr. 15	Mar. 31
Can. Bk. of Com. ..	$2	Mar. 1	Jan. 1
Can. Malting	37½c	Mar. 15	Feb. 27
Can. Cement, pf. ..	*$1	Mar. 20	Feb. 28
Can. Pac. Rly. pf..	1%	Apr. 1	Mar. 1
Canadian Oil, pref.	$2	Apr. 1	Mar. 20
Can. Int. Inv. T. P.	$2.50	Mar. 1	Feb. 15
Central Pat. Gold..	4c	Mar. 15	Feb. 28
Corr. Pap. Box, pf.	$1.75	Mar. 1	Feb. 19
Can. Bread, 1st pf.	$1.25	Apr. 1	Mar. 15
Do., B pfd.	62½c	Apr. 1	Mar. 15
Can. Perm. Mtge. ..	$2	Apr. 1	Mar. 15
Dominion Bank ..	$2.50	Apr. 1	Mar. 20
Dome Mines	50c	Apr. 20	Mar. 31
Do., extra	$2	July 20	June 30
Dom. & Anglo Inv., pf.	$1.25	Mar. 1	Feb. 15
Do., arrears	$1.25	Mar. 1	Feb. 15
Dom. Scott. Inv., pf.	25c	Mar. 1	Feb. 20
Dom. Textile	$1.25	Apr. 1	Mar. 15
Do., pref.	$1.75	Apr. 15	Mar. 31
Falconbridge N. ..	7½c	Mar. 31	Mar. 10
Easy Washing, pf.*	35c	Mar. 1	Feb. 15
Electrolux	40c	Mar. 15	Feb. 15
Do., extra	10c	Mar. 15	Feb. 15
Ford Motor	25c	Mar. 20	Feb. 27
Hamilton Cot'n, pf.	*50c	Apr. 1	Mar. 15
Ham. Un. Theat., p.	$1.25	Mar. 31	Feb. 27
Inter. Nickel, c. ...	50c	Mar. 31	Mar. 1
Inter. Mining	15c	Mar. 20	Mar. 1
Inter. Utilities, pf., arrears	$4	Mar. 1	Feb. 20
Do., $3.50 pref. arrears	$2	Mar. 1	Feb. 20
Laura Secord	75c	Mar. 1	Feb. 15
Lake Shore M.....	$1	Mar. 15	Mar. 1
Lake of Woods ..	$1.75	Mar. 1	Mar. 15
Loblaw Groc., A, B	25c	Mar. 1	Feb. 12
Land. Bkg. & L. ..	$1.25	Apr. 1	Mar. 15
Lava Cap	2c	Mar. 31	Mar. 10
Louisiana Land ...	10c	Mar. 15	Mar. 1
Montreal Cottons..	50c	Mar. 15	Feb. 27
Do., pref.	$1.75	Mar. 15	Feb. 27
Montreal Loan	50c	Mar. 15	Feb. 27
Mitchell, J. S., pf.	$1.75	Apr. 1	Mar. 15
Do., com.	$2	Mar. 1	Feb. 16
McIntyre Porc.	50c	Mar. 1	Feb. 1
Model Oils	3c	Mar. 2	Feb. 6
Macassa Mines	5c	Mar. 1	Feb. 13
McColl-Front., c. ..	20c	Mar. 15	Feb. 15
Monarch Knit, pf.	$1.75	Apr. 1	Mar. 15
N. S. L. & Pr., pf.	$1.50	Mar. 1	Feb. 13
Nat. Biscuit, pf. ...	$1.75	Feb. 27	Feb. 11
Do., com.	40c	Apr. 15	Mar. 12
Ont Silknit, pf. ..	$1.75	Mar. 15	Mar. 1
Ogilvie Flour pf. ..	$1.75	Mar. 1	Feb. 18
Petrol. Oil & Gas..	2c	Mar. 1	Feb. 15
Do., bonus	2c	Mar. 1	Feb. 15
Photo Engravers...	50c	Mar. 1	Feb. 15
Pioneer Gold	10c	Mar. 31	Mar. 1
Reliance Grain, p.	$1.62½	Mar. 15	Feb. 28
Reno Gold	3c	Apr. 1	Mar. 10
Riverside Silk	50c	Apr. 1	Mar. 15
Regent Knit pf. ..	40c	Mar. 1	Feb. 15
Royal Bank	$2	Mar. 1	Jan. 30
Rolland Paper, pf.	$1.50	Mar. 1	Feb. 15
Sec. Std. Roy pf.	1c	Mar. 1	Feb. 16
Sher.-Williams, p.	*$1.75	Apr. 1	Mar. 15
Stuart D. A., pf. ..	20c	Mar. 1	Feb. 15
Sylvanite Gold ...	5c	Mar. 31	Feb. 15
Do., extra	5c	Mar. 31	Feb. 15
Siscoe Gold	5c	Mar. 15	Feb. 28
Do., extra	1c	Mar. 15	Feb. 28
Sun Life	$3.75	Apr. 1	Mar. 16
Teck-Hughes	10c	Apr. 1	Mar. 10
Union Gas	12½c	Mar. 15	Feb. 20
H. Walker-G.	50c	Mar. 15	Feb. 19
Do., pref.	25c	Mar. 15	Feb. 19
Wright-Hargreaves	10c	Apr. 1	Mar. 1
Do., extra	5c	Apr. 1	Mar. 1

*On arrears.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Hyd.-Elec. Pr. Ont.	3½-5%	1952	Apr. 1	100
Tor. Harbor C...	4½%	1953	Mar. 1	105
B. C. Power, A	5½%	1960	Mar. 1	104½
Do., series B ..	5%	1960	Mar. 1	104½
Can. Cons. Rub'r	‡6%	1946	Apr. 1	110
Can. Paper, A ..	6%	1945	June 4	103½
Regent Knit ...	6½%	1942	Mar. 1	105
Toronto Carpet .	6%	1944	Mar. 1	103
Atlan. Utilities, A	5%	1963	Mar. 1	105
Viceroy Mfg. ..	6½%	1950	Mar. 1	104
Avon River Pr. D.	5%	1964	July 1	103
Randolph Hotel	*6½%	1947	May 1	105
Northern Tele. .	6%	1948	Mar. 1	102½
McColl-Fron. A	†6%	1949	Apr. 1	104
South. Canada Power, A	5%	1955	Apr. 1	102½
Woods Mfg., A .	6%	1943	Apr. 1	102
Connors Bros. ..	6½%	1938	May 1	105
Can. Steamships	5%	1943	Aug. 15	105
Chester L. & Pr.	6%	20-yr.	Mar. 1	...
N.S. L. & Pr. (A)	5½%	1958	Mar. 16	104½
Do., (B)	5%	1965	Mar. 16	103
McColl-Fron. ..	▲6%	1949	Apr. 1	104
Spruce Falls Pr.	5½%	Ser.	Apr. 1	101½
Mar. T. & T., A	5%	1956	July 1	104

For sinking fund: *$9,000. †$117,000. ▲$117,000. ‡Private sale between Feb. 1, and Apr. 1, 1937, in Canadian funds.

Stock Issues:				
Toronto Elevators	7%	Pref.	Mar. 8	110
Anglo-Can. Tele.	7%	Pref.	May 1	55

Municipal Finances

Dundas, Ont., has struck its 1937 tax rate at 39 mills. Expenditures for the year are estimated at $181,020. Estimated receipts for the year total $203,391 before providing for $22,371 as a reserve against uncollected taxes.

* * *

Dufferin County, Ont., reports a satisfactory financial position at the end of 1936. Loans from the bank incurred during the year were all repaid, leaving no floating debt at the end of the year. Debenture debt amounts to $231,842.

* * *

Dauphin, Man., reports that receipts in 1936 totalled $217,231, compared with $217,135 in 1935. Revenue from municipal-owned utilities at $88,252 was $1,357 higher. Although total relief expenditures at $26,783 were slightly higher than in 1935 the town's share at $11,845 was $816 lower.

Net debenture debt at the end of 1936 amounted to $451,863, an increase of $72,369. Debentures chargeable to revenue producing utilities increased by $71,996 to $348,610.

* * *

Windsor, Ont., has struck its 1937 tax rate at 42 mills. In 1936 the total rate, including a special relief levy made in the middle of the year, was 45.4 mills. The total tax roll is computed at $4,103,452, and the mill rate is based upon an estimated collection of 92½%. Debt charges are being estimated on the basis of the Ontario Municipal Board's decision which was rejected by bondholders.

Indications are that the city's relief costs will be considerably lower than in 1936. For the month of January relief expenses were $50,000 lower than in the same month of 1936. At the present time the relief rolls are lower than at any time in five years. At the end of January there were 18,000 on the lists while a year ago there were 25,000.

* * *

Calgary reports that total tax collections in 1936 amounted to $3,583,526 or 95.57% of the levy. Receipts of current taxes, however, were equivalent to only 75.11% of the levy, amounting to $2,816,423. Collections of arrears totalled $767,103 or 62.65% of the amount outstanding at the end of 1935. In 1935 total collections amounted to 97.29% of the levy.

* * *

Winnipeg reports a surplus of $353,313 in 1936, after taking credit for a surplus of $563,228 brought forward from 1936, but before relief expenditures. Actually, revenue for the year was $210,000 less than expenditures even when relief costs are excluded. The city's share of relief was $1,604,040. Thus, the actual deficit on 1936 operations was $1.8 millions.

Taxes collected during the year totalled $9,364,451, being an increase of about $125,000 over 1935.

In a preliminary report, Harry C. Thompson, city treasurer, has indicated the city is confronted with a deficit of over $1 million in 1937 on the basis of preliminary estimates which do not include relief.

* * *

St. James, Man., estimated expenditures for 1937 total $574,150. The tax rate for 1937 will be 66 mills, the same as in 1936.

* * *

Ottawa had a deficit of $158,814 on general account in 1936 due to over-expenditure on relief account. The actual expenditure of the general fund, including relief, was $6,225,534, while the amount provided in the estimates was $6,066,720. Relief expenditures were $260,168 above estimates.

* * *

Hamilton had a balanced budget in 1936 for the first time since 1930, surplus being reported at $5,300. This excellent showing was accomplished even after providing for expenditures of $183,519 not included in the budget.

Total tax collections in 1936 were equivalent to 105.04% of the levy, compared with 102.68% in 1935. Receipts of current taxes were equivalent to 83.08% of the levy as against 79.82% in 1935. Percentage of arrears collected in 1936 was 53.27%, compared with 53.49% in 1935.

Debenture and bank debts were reduced during the year by $1.9 million the debt at the end of 1936 being $31,252,086. The city anticipates a further reduction of $2 millions in 1937.

* * *

Chatham, Ont., report a surplus of $1,113 on 1936 operations. Disbursements for the year totalled $442,955. Collections of current taxes amounted to 78.3% of the levy, compared with 74.4% in 1935.

* * *

Lachine, Que., with revenues of $641,707 and expenses of $589,642, had a net surplus of $52,055 in 1936. Since 1933 there has been remarkable improvement in Lachine's financial affairs. At the end of 1933 bank loans totalled $428,000. At the end of 1936 the city had a bank credit of $40,000.

* * *

Brandon, Man., on the basis of its estimates will have a deficit in 1937 of between $75,000, and $115,000. This amount includes a maturing debenture issue. The deficit in 1936 was approximately $68,000.

* * *

Revelstoke, B.C., reports a net deficit of $15,745 on 1936 operations. Total debenture debt at the end of the year was $412,000 against which there was held a sinking fund of $102,628. Capital bank loans secured by debentures total $18,000 and current bank loans, $18,061. Collections of current taxes were equivalent to 79.7% of the levy.

* * *

Fort Frances, Ont., had a surplus of $66,395 on 1936 operations. During the year bank loans were reduced by $67,000 to $100,000. Receipts at $370,172 were $11,172 above the amount estimated for the year. Collections of current taxes amounted to 81.7% of the levy.

Lake St. John To Pay Interest

Debenture Holders to Get 5% Interim Payment on April 1

From Our Own Correspondent

MONTREAL.—Directors of Lake St. John Power and Paper Co. have declared an interim payment on the 5% mortgage debentures for the six months period ended Dec. 31, 1936. Payment will be made by cheque on April 1 to holders of record at least 15 days prior to the payment date.

This is the first payment on the debentures following the scheme of reorganization approved last November. Interest on these debentures is noncumulative for the period up to Dec. 31, 1941, and is payable out of income only.

At the shareholders' annual meeting when the report was approved and directors re-elected, A. Stewart McNichols, president, was optimistic concerning the outlook. He said that increased costs were fully covered by the $1.50 per ton increase in the price of newsprint which went into effect at the beginning of the year.

Holt, Renfrew and Co. Starts on Montreal Store

From Our Own Correspondent

MONTREAL.—Holt, Renfrew and Co., following the sale of its St. Catherine St. property to F. W. Woolworth Co., has purchased a site in Montreal at the corner of Sherbrooke and Mountain Streets. The old property was sold for $700,000, while the site for the new building was purchased for $94,380.

Preliminary plans are under way for construction of a six-story building.

With the Legislators

OTTAWA

Defense: Government sustained in Commons on a "want of confidence" motion deploring the "startling increases of expenditure proposed for national armament" contrasted with "provision for social security."

Constitutional: Premier Mackenzie King announced the early appointment of a royal commission to investigate the taxing powers and social obligation of the provinces.

Pensions for Blind: A resolution preceding legislation to bring blind persons within the benefits of the Old Age Pension scheme at an earlier age than 70 advanced one stage in the Commons.

Housing: Home Improvement Act given second reading in the Senate and referred to the Banking and Commerce Committee.

ONTARIO

Taxation: Corporations Tax Amendment Act providing exemptions of part of the capital of real estate firms when earnings fall below a reasonable level introduced.

Income tax amendment act aimed at Canadians with holdings in "personal" corporations outside Canada given first reading. Succession Duties Act providing further exemptions for gifts to charitable, religious or educational institutions introduced.

MANITOBA

Taxation: Legislation to overhaul 2% wage tax forecast in Throne Speech.

Investment: Changes in Security Frauds Prevention Act promised.

Credit: Measures to introduce co-operative credit unions in province announced.

Industrial: Labor legislation aimed at prevention of strikes and lockouts by setting up conciliation machinery proposed.

NEW BRUNSWICK

Insurance: Legislation aimed at greater control of insurance business in the province announced in Throne Speech.

Transportation: Revision of the Highways Act and Motor Carriers Act forecast.

BILTMORE HATS
Limited
Descriptive Circular on Request
STEWART, McNAIR & CO.
Members
The Toronto Stock Exchange, Canadian Commodity Exchange Inc.
TORONTO
255 Bay Street
ELgin 0421
HAMILTON
Pigott Building
Baker 6881

Burns Strike Under Enquiry

From Our Own Correspondent

VANCOUVER.—An investigation into the strike at the plant of Burns & Co. here is to start March 1 under Judge J. Charles McIntosh. The enquiry is to be held under the Dominion Industrial Disputes Investigation Act.

Strikers have been demanding recognition of their union and reinstatement of discharged union members who were employed by the company. Representatives of strikers have informed the Trades and Labor Council that their funds are low after two months idleness. They have received some $3,000 from labor organizations.

Stores buying from Burns & Co. are being partially boycotted, including the Safeway and Superior chains, and others.

Explanation of the Burns strike by Hon. Norman McL. Rogers, Dominion Minister of Labor, appears on page 20.

Canadian Locomotive Co. Gets Aluminum Co. Order

From Our Own Correspondent

MONTREAL.—Canadian Locomotive Co. has secured an order from the Roberval and Saguenay Railway Co., subsidiary of Aluminum Co. of Canada for a consolidated-type freight locomotive of 47,300 pounds tractive effort. Delivery will be made in June.

Simon and Sons Outlook Considered Good for 1937

From Our Own Correspondent

MONTREAL.—H. Simon and Sons have got away to a good start this year and the outlook for the balance of 1937 is favorable, according to a statement made by Arthur Simon, president, at the shareholders' annual meeting. Mr. Simon was hopeful for the outlook of the cigar business in general, as improved demand was evident for a better class of goods, reflecting easier money conditions.

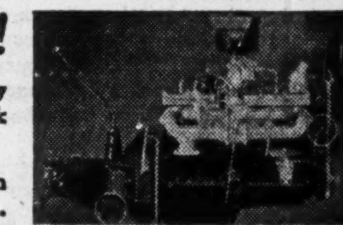
New Issue
Price Brothers & Co. Limited
5% First Mortgage Bonds
Due March 1, 1957
Payable in Canada
Price 99 and Interest
To yield 5.08%
These bonds form part of an issue of $15,000,000 which is secured by net fixed assets of over $3,000 per $1,000 bond.
Official Prospectus upon request
BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

Griffis, Norsworthy
Limited
Announce
That they have acquired the business of the predecessor firm of Griffis, Fairclough & Norsworthy, Limited. Offices and telephone numbers remain unchanged.
Telephone
WAverley 1872
25 King Street West
Toronto

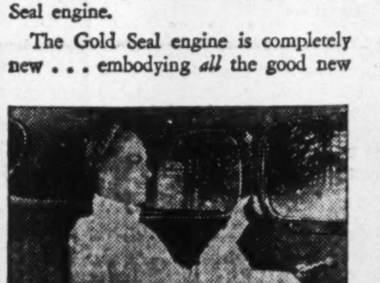
We recommend:
Price Brothers & Company, Limited
5% First Mortgage Bonds
Due March 1st, 1957
Price: 99 and accrued interest
Offering circular forwarded upon request
OTTAWA
QUEBEC
SAINT JOHN
HALIFAX
VANCOUVER
LONDON, ENG.
W. C. Pitfield & Company
Limited
235 St. James Street
Montreal
80 King Street West
Toronto

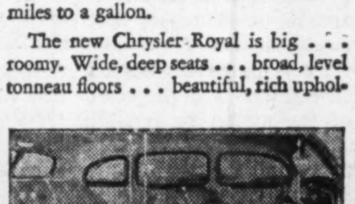
CHRYSLER
ROYAL!

BRIGHTEST SPOT IN THE MOTOR CAR NEWS...
A CHRYSLER AT A NEW LOW PRICE!
CHRYSLER makes *news* with a great motor car ... CHRYSLER ROYAL ... A new car, with an amazing new engine, at a new, surprisingly low price!
Chrysler Royal is a big, roomy car, a beauty to look at, and amazingly economical to drive, with its new Chrysler Gold Seal engine.
The Gold Seal engine is completely new ... embodying *all* the good new things Chrysler engineers have discovered to improve economy and performance.
It has the highest compression for its bore ever known ... burns *ordinary gasoline* yet repeated tests under actual driving conditions reveal mileages of over 21 miles to a gallon.
The new Chrysler Royal is big ... roomy. Wide, deep seats ... broad, level tonneau floors ... beautiful, rich upholstery ... worlds of space in every dimension. Yet it's lithe and sleek ... with dashing, rakish lines.
Superb riding ease ... from improved weight distribution ... Amola steel springs ... new Aero Hydraulic Shock Absorbers that work like the landing mechanism of great planes.
Safety *All-Steel* Bodies ... insulated ... mounted on rubber to deaden road noises ... Floating Power ... Hydraulic Brakes.



New 93-horsepower Gold Seal engine has patented Floating Power mountings to smother engine vibration.
A winner for looks ... for economy ... value ... long life and reliability.
See the new Chrysler Royal at your nearest Chrysler-Plymouth dealer's today. Ride in it, drive it — you will surely want to own it when you find how *much* you get for *so little!*





Wide chair-height seats ... deep, soft upholstery ... low, level tonneau floors all contribute to the luxurious comfort of Chrysler Royal!
Look at the room in the Chrysler Royal! Inside length from windshield to rear window 96¼ inches!
$1068 AND UP. DELIVERED IN WINDSOR, ONT.
LICENSE ONLY EXTRA!
ROYAL LEADERS OF THE KING'S HIGHWAY

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.
The Financial Post Has the Largest Paid Circulation of All Canadian Financial Papers
Editor—Floyd S. Chalmers
Business Manager—D. M. Gowdy

The Financial Post Business Year Book, Yearly, $2.
The Financial Post Survey of Corporate Securities, Yearly, $2.
The Financial Post Survey of Mines, Yearly, $2.
The Financial Post Record of Prospectuses, Half Yearly, $7 per volume.
The Financial Post Corporation Service, $20 monthly. Special prices for individually selected investor's service.
Directory of Canadian Directors and Officials, Yearly, $10.
The Financial Post Survey of Canadian Oils, Yearly, $1.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Avenue, Toronto 2
Founder and Chairman — John Bayne Maclean
President — Horace T. Hunter
Vice-President and General Manager—
H. Victor Tyrrell

ADVERTISING RATES
Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
GREAT BRITAIN, London—Resident representative, J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London S.W.1, Telegraphic Address, Atabek, Lesquare, London.

TORONTO, FEBRUARY 27, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Australia's Simple Foreign Service

AUSTRALIA is no less proud of its self-governing status and its prestige as a Dominion than is Canada. But Australia has not deemed it necessary to set up an expensive system of legations in foreign capitals.

Recently Australia decided to establish diplomatic representation in the United States. To do so, it merely detached a trusted member of its external affairs department from home duties and placed him on the staff of the British embassy in Washington with the rank of counsellor. The plan has all the merits of simplicity, economy and probable efficiency.

Australia's diplomatic representatives attached to British embassies will be trained under the world's most successful diplomats. They will at all times have the advice and support of experienced and influential British ministers.

Canada is under the expense of maintaining legations in Washington, Paris and Tokyo. The Government is considering a legation in China and probably has long range plans for putting legations in other world capitals. Can we afford it? Would we not be better off to retrace our over-ambitious steps and adopt the Australian plan?

Congratulations to British Columbia

THE province of British Columbia is making marked progress toward achieving a balanced budget on all accounts. A striking development in the recent Ottawa visit of Premier T. D. Patullo and his Minister of Finance, Hon. John Hart, was that they were able to inform the federal authorities that this year the province will contribute $2 millions toward unemployment relief.

The British Columbia budget for the year which closes March 31, 1937, forecast total revenue of $24.3 millions. The actual income will be substantially above the estimate. Only part of sinking fund charges are included in the budget and unemployment relief expenditures are mostly excluded. Hence to achieve a complete balance in the accounts, it is first necessary for the provincial revenues to meet the relief costs which were $5.2 millions in 1935. It is evident, therefore, that the Government is already well on the road to meeting all expenditures, including relief. The next desirable objective would be resumption of full sinking fund payments.

The Government and the people of British Columbia have a justifiable pride in the progress that has been made toward balancing the provincial budget. But the task has not yet been completed. It is to be hoped that expenditures will at least be kept from rising so that the buoyant revenues may cover all relief costs and even allow full sinking fund payments. Then the province would reap the full benefits of its painstaking handling of finances and could probably fund treasury bills at low interest rates. The eventual result would be reduction in the cost of the provincial debt and lower taxation.

For the progress of the past two years, congratulations are definitely in order.

Let Good Reading Drive Out Bad

IT DISTURBS the editor of the Guelph Mercury to find so much trashy literature in Canada, most of it in the form of paper-covered stories of Bacchanalian revelling and salacious promiscuity that have come in from the United States. Yet the Mercury does not feel that merely banning such magazines and books from the mails or from the stores is a complete cure.

No doubt the censors of the Department of National Revenue and of city police departments throughout Canada will agree. One can keep out the papers that are definitely pornographic or that make heroes out of criminals and perverts, but it is not easy, nor perhaps a proper function of the state, to interfere with the circulation of literary trash, particularly as so much trash masquerades in a highly moral cloak.

Whatever is done by the authorities must be supplemented by educational work. School teachers, ministers, newspapers and magazines can do a great deal to direct the reading habits of the people. The work of education must start with the children, which means that it must be concentrated in the home. If parents bring but little reading matter into their homes outside of American tabloids, or crime and sex stuff, they must expect their children to acquire a taste for such literature and for nothing better.

Let us ban the obviously evil reading matter from the country but also recognize, with the editor of the Guelph newspaper, that the "real cure will come by creating a new and healthy appetite for good reading and seeing that it is supplied."

Canadian magazines, and most of our other periodicals, are doing a constructive piece of work by providing Canadian articles and fiction of decent character, and pleasantly presented in a manner that will attract readers away from publications more destructive of private morality. But it cannot be claimed that all Canadian literature is clean or decent. Some of the most lecherous material on the news stands in Canada is edited and printed by resident Canadians. Such papers play up all the rank social gossip, the divorce suits, the sex crimes that the daily newspapers, from a sense of public responsibility, refrain from detailing. These sheets seem to have passed the peak of their circulations which suggests that the public can be weaned away from them.

Abuse of Franking Privilege

NONE of the perquisites of parliamentary office is more abused than the privilege of franking mail. Members use the privilege not only for their personal mail and for correspondence in connection with affairs of state, but for tons of campaign literature and purely commercial material.

One of the members franked several thousand letters asking for subscriptions for a farm paper.

A Canadian manufacturer received the other day a letter under the frank of two members of Parliament in which he was told that he ought to add a certain wholesale house to his list of distributors. While carefully phrased, the letters were written to make clear the implication that failure to do as the members of Parliament instructed might lead to tariff reprisals against the company in question. Surely it is not proper for a member of Parliament to use his franking privilege to make threats against a reputable business concern and on behalf of another business concern in his own area.

During the discussion of the post-office estimates, one of the members said:

> Mr. McIvor: "As a new member I was surprised that I did not have to pay any postage on the letters I posted. . . . I want to say that I am better able to pay my postage now than I was before I came into the House. I think members of parliament should pay their own postage and thus put the post office on a paying basis."

His frank comment came as a surprise to the editor of the Peterborough Examiner, who adds this amen:

> "On behalf of a great many people, Mr. McIvor, we feel moved to thank you. It was but a short speech you made, but within it we found the brave suggestion that a member of parliament was willing to pay his way even if he had to put his hand in his own pocket to do it."

The post-office is not one of the Government's cash-consuming departments. It more than pays its way. Occasionally ministers of finance look at its revenues fondly and wonder how they can be increased. But when they cast up the post-office accounts they ought to make allowance for the fact that the post-office is being robbed of a large part of its legitimate revenue by abuse of the franking privilege.

From Democracy to Dictatorship

IF PRESIDENT ROOSEVELT is able to force through Congress his measure to increase the size of the Supreme Court it will mark a major stage in the development of the political system of the United States. It will indicate that the carefully planned system of the framers of the constitution, with its provision for a precise division of the legislative, judicial and executive functions, each one serving as a complement of as well as a check upon the other two, will have been effectively wiped out. For when the President is not only the chief executive of the nation but is able to exact from Congress delivery of any legislation he requires, when he is able to change the Supreme Court personnel to obtain the interpretations he wants from it, he is in effect a dictator and the country has a one-man government.

The President remains, of course, a democratic dictator in that he must be elected by the votes of the people and is therefore answerable to them for his actions. But, in a larger sense, the democratic process is, in the case of a man like President Roosevelt, operated to intensify personal power rather than to narrow it or restrain its use. For Roosevelt's power rests to a large extent upon a personality, that is magnified and projected into every home of the nation by modern scientific devices of which the chief are the radio, the talking films, and the news-photo. Such a man has it in his power to go even farther in modifying the democratic process than Roosevelt has attempted to go. What Roosevelt has done, another president can do and surpass. In another economic or social crisis, another president can suspend the constitutional system and establish a continuing dictatorship and do it with the full acclaim of the multitude.

Roosevelt's record is an evidence of how a dominant political personality can override the most powerful system of political checks and balances. There is nothing permanent about a constitution. A Hitler can make a scrap of paper out of a Weimar document. The only constitution that has any permanency or meaning is the one that is engraved in the traditions of the people. Such a constitution is the unwritten British system of law and government. The Americans have relied too much upon the written word which can be reverenced but can also be ignored.

The President has not yet won his fight but he is confident and cocksure of doing so. And Roosevelt is a most adroit politician. Even his defeats look like victories to the ordinary untutored citizen.

M. P.'s and Their Electors

SAM FACTOR, M.P., is a lawyer from Toronto, a very good type of citizen, whose clarity of thinking was shown by his contribution to the minority report of the Price Spreads Commission.

The other day in the House of Commons he supported the Government's enlarged defence programme. But he said:

> "If I wanted to curry favor with my constituents I would stand here and attack the Government and the minister of defense."

One might read into this statement Mr. Factor's belief that his own constituents opposed the legislation, but that he himself regarded greater war expenditures by Canada as necessary; in brief that he thought his constituents were wrong. As Mr. Factor's constituency numbers a great many foreign-born voters who came to Canada to get away from militaristic countries, he probably was right in his size-up of their reaction to the legislation.

His action raises the point as to whether Members of Parliament are sent to Ottawa to present the viewpoint of the majority of the voters in their riding or are sent there to contribute to the law-making and government of the country according to the dictates of their own judgment and the promptings of their own conscience. A few members are much more active in keeping their ears to the ground of their own riding than in surveying national opinion. They consider their attitude as the only proper one and they would argue that the national view can properly be only a combination of many local views. Mr. Factor has, in this case, decided differently. It may be that he did so from a sense of party loyalty, that breaking with his party would have been more embarrassing than offending his constituents. Whatever his motives he was leading rather than following his constituency, with the likelihood that his electors will respect him for it.

Editorials in Brief

A letter in Toronto's Communist newspaper protests against insurance premiums being sent by the Toronto Board of Education to an American company.

The next letter in the column reports that the Kirkland Lake "Local Committee" has raised $168.30 to aid Spanish loyalists.

• • •

To the independent observer it looks very much like a case of thieves falling out, with the Canadian Communists paying lip-service to the present rulers of world Communism and yet pursuing the methods of the Trotskyite would-be rulers of world Communism.

• • •

Two interesting discussions of the work of the International Joint Commission have recently appeared. The Commission has reprinted a radio talk on its work by George W. Kyte, K.C., one of its members. Lawrence J. Burpee, secretary, recently contributed to "The School," Toronto, an article on the Commission headed "Peacemakers in America."

• • •

A dispatch from our Ottawa correspondent last week discussed possible candidates for the leadership of the Conservative party. The article expressed Ottawa's view that Hon. R. J. Manion would be the most eligible figure except for his religious faith.

But is political Ottawa not taking too much for granted when it assumes that no great political party would select a Roman Catholic as its leader? Two of Canada's prime ministers were Catholics and many of our most widely popular statesmen, who did not attain to that high rank, were Catholics.

Undoubtedly, religion enters into politics in Canada—too much so, in fact—but all good Canadians trust the day will never come when any really splendid forceful man is debarred from consideration for a high political preferment simply because he is a member of a particular religious group.

• • •

There is only one kind of person whom a Communist hates worse that he hates a Fascist and that is Trotskyist.

At a Communist meeting in Toronto the other day there was a series of interruptions from one corner. The audience was about ready to manhandle the interrupter, thinking he was a follower of Trotsky, but when they discovered that he was only a Fascist, they merely told him to keep quiet.

It is difficult to see why Canadian Communists are so much the enemy of Trotsky. The point at which Trotsky and the present Communist régime in Russia have parted company is that Trotsky insists upon the world revolution coming first in the Communist programme while Stalin wants Russian reconstruction to come ahead of it. Canadian Communists, while nominally supporting the Stalin régime, are engaged in a Trotsky-like campaign of international propaganda. Communist literature in Canada is nothing more than documentation for the class war.

Sayings of the Week

"It can be a Christian duty to kill."—*Archbishop of York.*

• • •

"A man or youth doesn't go into politics. Generally it is an accident."—*Alfred E. Smith.*

• • •

"Even a despot cannot govern for any length of time without the consent of his subjects."—*Aldous Huxley.*

• • •

"When trade is active then there is confidence and when there is confidence capital flows."—*Sir George Paish.*

• • •

"We must face the fact that a tariff in this country is a part of our economic defenses."—*Sir Edward Beatty.*

• • •

"The fact that people live in homes, not just in houses, is of inestimable value to any country."—*Denton Massey, M.P.*

• • •

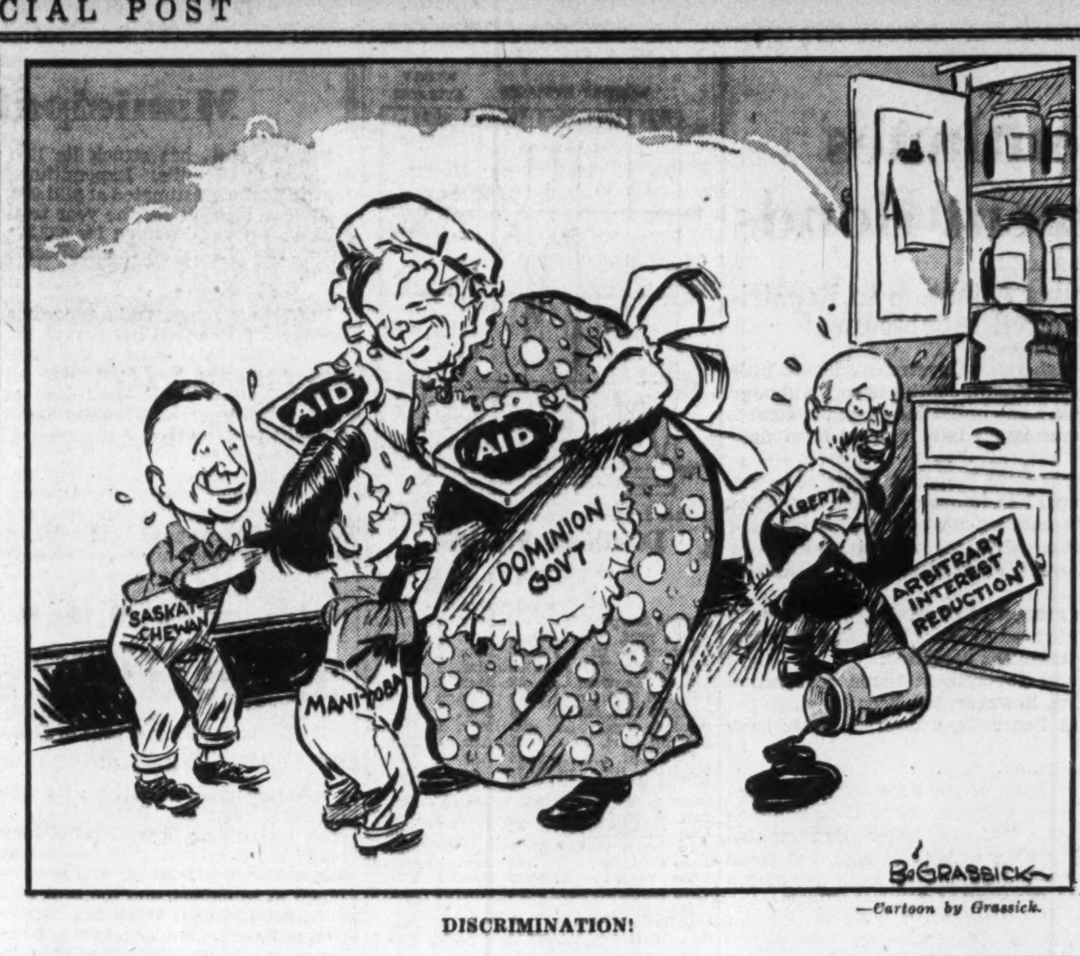
"The provinces are nothing but a lot of Balkan states fighting among themselves and the taxpayer is made to pay."—*T. L. Church, M.P.*

• • •

"Any other belligerent may declare Canada to be belligerent and we have not the power to protect our neutrality."—*Hon. Ian Mackenzie.*

• • •

"Lawyers are employed at good pay and they seem to think it is their duty to use money of this country to propagate their particular beliefs here, there and everywhere."—*Rt. Hon. Arthur Meighen on Royal Commissions.*



DISCRIMINATION!

—Cartoon by Grassick.

New Books

Siegfried on Canada

CANADA. By André Siegfried. Translated by H. H. Hemming and Doris Hemming. Published by Thos. Nelson and Sons, Toronto. Price $3.

Thirty years ago André Siegfried wrote a book on the Canada of the beginning of the century. He has now written another volume, equally searching, equally objective, about the Canada of today.

The Canada that M. Siegfried writes about is the Canada that has a large place in international affairs. He traces the roots of this country to their British, continental and American origins; he weighs the influences at work to build our national character and determine our national policies.

Many and complex are the threads that have been woven together to create in Canada the pattern of a nation. The country is "American geographically, British politically, largely French in origin." Today Canada looks toward London, which means that she looks toward Europe. Thus Canada has failed to achieve the isolation of the United States. "The thread"—with Britain—"is thin but it still holds," says M. Siegfried. It is worth preserving, he thinks, but if ever it is broken then Canada will gravitate about the United States. In the meantime, Canada remains the great interpreter of the United States to Great Britain and vice versa. In the meantime, too, Canada's two contrary axes—North and South, and East and West—produce an intense struggle that is at once a source of weakness and of strength. Canada is unable to choose between the United States and England without destroying itself in the process. But so long as we do not have to choose it is most useful for Europe to have in North America that distinct political individuality called Canada.

Telling Us About Canada

M. Siegfried's work, which was written only after a prolonged tour throughout Canada, gleams with adroit interpretations and skilfully devised phrases. Canada is to be congratulated that the famous French author of "England's Crisis" and "America Comes of Age" should have gone to the trouble of analyzing the basis of our national problems. He discovers for us many facts we do not often call to mind; that we still have more men than women (a mark of youth; that not more than 3.5% of English-Canadians speak French while 35% of the French are bilingual; that without the Scots, Montreal would not be a financial centre, but simply "an immense French village with a little English garrison"; that there are 3,337,000 Canadians living in the United States, a deficit that represents a cruel loss; that our wheat farmers are "agriculturalists" and not farmers at all.

M. Siegfried quotes a Canadian humorist as saying to him "The Empire is like a giraffe, of which one sees only the spots. The spots are the Dominions, but as for the giraffe, well, there ain't no such animal." It is in such a human way that he illuminates the problem of Canada's constitutional status, its place in the Empire and its policy toward the world.

"Canada" is a work of sheer genius. The translation which is by H. H. and Doris Hemming, adds to the vitality and interest of the author's original French.

Maurois Writes on England

Several timely books providing a background material on world affairs appears on the spring list of Thomas Nelson & Sons, Toronto. They include "Clamour for Colonies" by H. S. Ashton; "Dictators" by Jacques Bainville; "President Masaryk Tells His Story" by Karl Capek; "The Great Migration" an analysis of the movement of population from Europe to America, by Edwin C. Guillet; "Germany Speaks" by N. P. MacDonald.

Another interesting work due from Nelson is André Maurois's new "History of England."

Among new Canadian works are "The Science and Practice of Canadian Animal Husbandry" by J. W. G. MacEwan and A. H. Ewen and "Under Western Skies," which tells of some of western Canada's early history as revealed in the archives of the Hudson's Bay Company. It is written by Prof. Arthur Morton, of Saskatoon.

A Life of Ryerson

The first volume of Prof. C. B. Sisson's monumental biography of Egerton Ryerson is announced by Oxford University Press, Toronto, in its nonfiction list for spring. Another Canadian title is "Development of Dominion Status" by Robert Dawson, professor of political science of the University of Saskatchewan.

The Oxford list contains a number of important volumes on subjects related to contemporary history. Included are "Zero Hour," Richard Freunds's study of the impending world crisis; "The Spanish Tragedy. 1930-1936" by E. Allison Peers; "The Far East in World Politics" by G. F. Hudson; and "The Empire and World Reconstruction" by B. K. Long, famous editor of the Cape Times, H. V. Hodson, editor of the Round Table and Sir Arthur Willert, one time head of the press department of the Foreign Office.

Dealing with events and figures of other days are "Rhodes Goes North" by J. E. S. Green; "Forty Years on Main Street" a collection of the writings of famed country editor William Allen White; and "The Man I Knew," Countess Haig's side of the controversies regarding her husband.

Those Who Arm Should Pay

Winnipeg Free Press

While rearmament in this country has not yet reached the stage in which a loan is contemplated, it is worth remembering that the Dominion faces a deficit which, in ordinary times would be thought staggering, and yet feels impelled to increase by about 15 millions its expenditure on defense. This country is perhaps standing today near the top of a slide which may carry us toward insolvency unless checks are applied. Those checks—the orthodox checks—lie in increased taxation. As the Economist says,

> "It is never sound policy to borrow for unremunerative expenditures so long as it is physically possible to raise money by taxation. It is myopic thinking to believe that the future can be made to bear the burden of present rearmament; guns and cruisers cannot by any means be borrowed from the future, and a loan merely complicates the budgetary problem of the future without relieving the real burden of the present. . . We believe a defense loan should be condemned at any stage of the trade cycle. In the conditions of today the argument is very much stronger. Indeed there are positive virtues in increased taxation at a time when methods of controlling the boom are being sought. Nothing could be better calculated to restrain the excesses of speculative activities than increased taxation of the swollen incomes derived from the boom."

This is the moral to be learned by defense enthusiasts. If the policy of the nations of the world leads to a crazy race for rearmament; if the possible strength of a system of collective security is to be cast aside in favor of a search for competitive methods of suicide, the least that reason can suggest is that upon the shoulders of those who have made the choice should lie the burden of its cost.

What Leaders Say

"Freak" Legislation

By JAMES J. WARREN,
President, Trusts and Guarantee Company addressing annual meeting

Your directors, along with directors of other loaning companies, have been much concerned about the freak and quite unnecessary legislation passed by the Province of Alberta. However, we believe in the innate honesty of Western farmers who, unless bedevilled by designing politicians, will pay their just debts when nature gives them a few years of good crops—and this notwithstanding any unfair legislation of which they might take advantage.

As it is realized that obligations to pay are dependent largely on crop returns, very liberal treatment is accorded to those who express a willingness to pay—when able. Anyway, notwithstanding what is said about mortgagees taking foreclosure proceedings, the last thing a trust or loan company wants is to have to take over the care of a farm.

"Right" Interest Rates

By C. S. HAMILTON,
General manager of eastern branches, Trusts and Guarantee Company, at annual meeting

The present campaign by governments, municipalities and indeed by almost all borrowers for lower and lower interest rates has had drastic effects upon the income of all who derive their revenues from loans and securities. Clearly there is a point below which such interest rates should not be allowed to go. There are many people who feel that governments should legislate prosperity into being; others advance equally fantastic proposals of their own invention; others use the term "capitalist" as though the ownership of all capital were confined to a very limited number of extremely wealthy people. They argue that the harm done by the destruction and confiscation of capital will affect only a small class who deserve no sympathetic consideration because they have gained their wealth by devious and dishonest methods. They angle for the emotional support of the mob by arguments which are entirely false.

Right interest rates are interest rates which equate the supply and demand for capital, keeping a proper balance between savings and consumption. High or low interest rates are not good or bad in themselves, but they are good or bad depending on whether they reflect the true facts.

Significance of Turner Valley

By H. A. HOWARD,
General manager of western branches, Trusts and Guarantee Company, at annual meeting

Aside from the orgy of speculation that invariably accompanies the discovery and development of every oil field, this particular discovery in Turner Valley, 40 miles south of Calgary, has an important national and Imperial significance. There has just been brought in what I believe is the largest oil well in the British Empire, which at a depth of about 6,600 feet had an initial production of about 2,000 barrels of high-grade crude oil per day. Can anyone be blamed for speculating in an oil well when he finds his neighbor, who made an original investment of $2,500, now receiving therefrom an income of $500 or perhaps $1,000 a month.

But of more importance in the contribution to Canada's national wealth from its natural resources. Canada today imports from all sources something like 30 million barrels of crude oil, costing us about $60 millions a year. The total crude oil production in Canada last year was about one and a half million barrels. The last well brought in in Turner Valley will itself produce a substantial part of that amount, and with the drillers finding other wells in that field and in other areas in Alberta, there is every evidence that a large part of the requirements of the Dominion, and perhaps of the Empire, may be supplied from that source.

As Others See Us . . . .

Not Unpopular Everywhere

St. Catharines Standard

"Rail Strike Unpopular" is caption of an editorial in The Financial Post. From a general viewpoint in Canada, it would be, but not so with the truck and bus interests by a long shot. Moreover, a strike might well lose business for the railways which would never be regained.

Relief and Prosperity

Calgary Herald

"How do the relief figures fit into the picture of improving conditions in Canada?" asks The Financial Post. It says that official figures confirm the impression that in face of substantial recovery in business and increased employment, the numbers of persons on relief have shown little tendency to fall, and the total cost of relief has, on the whole, risen.

Since the average weekly wage in some Canadian industries, as The Post points out, ranges between $14 and $18, heads of households can in many cases live better on relief than if they were steadily employed. Moreover, such high urban relief rates attract large numbers of persons in from rural districts. This creates a problem now exercising the members of the National Employment Commission.

Our Reading Books

New Glasgow News

Reading books. It is fatal for some people to read a book. In Alberta Mr. Aberhart read a book on Social Credit. Anyone wanting the low-down on Alberta would do well to read The Financial Post—any issue. Mr. R. B. Bennett also read a book, a few years ago. It was much better than the one Mr. Aberhart read. It was John Strachey's "The Coming Struggle For Power." Mr. Bennett had the book and his radio speeches in mind when he went on a vacation tour of the British Commonwealth. It is predicted that Canada will have its political life influenced not a little by Mr. Bennett's vacation. At a Conservative meeting in Ottawa Mr. Bennett told his party followers of New Zealand: "New Zealand had developed above all else a social security that ranks it foremost among all the peoples of the world, with old age pensions for all, the 40-hour week, state fire insurance, state life insurance, good banking facilities, government-owned railways, dental and medical clinics." Unless all signs fail, the leader of the Conservative party in Canada is getting ready for a crusade of reform. New Zealand offers him an example. Watch him use it.

Keeping Money at Home

Lindsay Post

The Port Arthur News-Chronicle is advocating the theory that all money earned in Canada should be kept in Canada for the development of Canadian industry and Canadian natural resources. It believes that wealth produced in Canada should be used for the benefit of Canada. It dislikes the thought of wealthy Canadians going abroad to live and in some cases to escape taxation.

We are afraid that if the suggestion of the Port Arthur newspaper were adopted by Canada, it might lead other countries to retaliate with the result that Canada would find itself getting very much the worst of the bargain. We must remember that the development of our natural resources has been made possible very largely by imported wealth. The Financial Post is authority for the statement that for every dollar of Canadian capital invested abroad $6 of foreign money is invested here in Canada. If Canada is to continue to develop, we must do everything we can to encourage the investment of foreign capital in this country. For that reason we feel it would be very risky for this country to attempt to penalize men unduly who through investment have made money in this country, but who choose to live elsewhere.

In the Mail

(Not over 200 words, please)

High Rate For Power

Editor, The Financial Post:

We still pay five and 10 cents per kilowatt hour to the Ontario Hydro-Electric Power Commission for our electricity. Our power comes from the Calabogie plant, on the Madawaska, where we hear there is to be some further development.

This village is only 16 miles from the Chats Falls, with ample power going to waste, while all this district is curtailing on consumption because they cannot pay this ridiculous price; and our politicians argue about trivialities. They should read the last report of Montreal Light, Heat & Power and see what private enterprise has to do to maintain an enviable position as a great public utility, to give service and a rate that their customers feel is fair.

W. D. AIKENHEAD,
Pakenham, Ont.

"Sacredness" of Contracts

Editor, The Financial Post:

Some months ago in a discussion on public debts before our People's Forum in Moose Jaw I offered for consideration the thought that the conception of the sacredness of contracts was losing much of its former rigidity and immutability, and that contracts were no more sacred than human need and human suffering. In an editorial under the head "This is revolution" you gave me a severe moral lambasting. I am wondering if the same treatment was meted out to the appropriate parties in regard to two items appearing in the press since that time.

On June 6 last the Toronto Star carried the following: "A resolution questioning the so-called sanctity of any type of contract which operates to create unethical situations was laid before the Hamilton Conference of the United Church in session here yesterday."

Again I notice a heading in the daily press today reading as follows: "To remove the gold clause from the 'sacred' bond contract," referring, of course, to legislation about to be passed at Ottawa relieving the issuer of gold bonds from the now onerous obligation of payment in gold as provided in the contract. I have not been following your editorials closely but will hazard a guess that you support such legislation. It certainly is supported by all large corporations who have gold bonds outstanding; it seems that the "widows and orphans" owning bonds are for the time being forgotten.

At the risk of another moral castigating, I would suggest that possibly I was right in suggesting that the sacredness of a contract depends largely on whose ox is gored. By what process of reasoning can it be argued that legislation legalizing repudiation of the covenant to pay in gold is just and moral, whereas legislation reducing the interest payable on provincial and municipal bonds is revolutionary and dishonest?

J. W. CORMAN,
Moose Jaw.

Editor's Note: The "moral castigation" referred to consisted chiefly of the statements that "every century makes its own moral standards" and that this one will probably continue to believe that those who sign a bargain should endeavor to carry it out since contract and credit are two of the pillars of our present economic civilization.

The Financial Post has never done much talking about the "sacredness" of contracts although it feels that Society recognizes in contracts a moral as well as a pragmatic aspect.

It's Just Plain Twaddle

Editor, The Financial Post:

Am I mentally deficient, or does the attached article, which is a fair example of Social Credit twaddle, make sense?

One gets sick and tired of reading this stuff, but no one seems to contradict it.

READER.
Medicine Hat.

Editor's Note: "Reader" encloses an article from the Calgary Albertan, one of a series headed "Through a Social Credit Window." It says in part:

"Whether one believes it or not, prosperity is the result of deliberate planning. If we imagine it comes and goes like the seasons—then we fool ourselves.

"By some strange twist of language the capacity to borrow is called credit. Just how the credit of an individual can be at one and the same time both credit and debt no one knows, for they are opposite in meaning.

"Our whole trouble lies in failing to discern that instead of a system, we have two, and they are out of balance. A production system which can deliver all kinds of needed goods is helpless because those who produce money pay no attention to production."

To the Financial Post the sample sent in looks like an opiate—either hashish or such stuff as dreams are made of. "Reader's" own description—"twaddle"—is also applicable.

Stop Me If You've Heard This One . .

The minister was leaving the parish. A farewell meeting of the congregation was held, and he was presented with a suitable token of their affection and esteem.

Unfortunately, the office bearer who made the presentation, said, "We have much pleasure in giving you a wee bit of a momentum."

k in Business

dget Holds Spotlight In Canadian Business

rtainty Removed in Both Export and Import Trade — Labor Troubles Threaten — Builders Short of Help

is week business turns its attention from strikes and labor troubles e major event in the Canadian business calender—the annual federal et. The fact that this budget also contains details of the new trade ements with Great Britain makes Thursday, Feb. 25, a double red- r day.

As usual The Financial Post will make an exhaustive and searching ly of the new budget and its effect on business. This will be contained the issue of March 6. Meanwhile it can be taken as a foregone con- sion that the appearance of the 1937 budget should be regarded defi- ely as constructive as far as general business is concerned to the extent at it removes the uncertainty that has hovered over many important dustries for some months.

Incidentally the Feb. 25 budget date is just five days past the zero" hour for the present Canada-U. K. pact. The original pact was gned on August 20, 1932, and was to run for five years. But notice of hange or cancellation had to be given six months prior to the termination f the pact—which was Feb. 20, 1937.

• • • •

Labor Troubles Loom

Meanwhile labor problems continue to attract considerable attention throughout the country not for the immediate but rather for their potential interest. For example at Montreal this week, union clothing workers in annual convention moved to set up a Canadian affiliate of the Committee for Industrial Organization and also to give support to Hamilton steelworkers now enrolled in a United States C. I. O. branch who are also anxious to form their own Canadian body.

The Montreal group which is the Dominion section of the Amalgamated Clothing Workers of America, is said to represent about 6,000 workers and is seeking a 40-hour week, higher pay and an unemployment insurance fund to be achieved at the time of the expiration of the present agreement, namely May 12.

Another indication is the Oshawa arrival this week of C. I. O. Organizer Hugh Thomson, from Detroit. He intends forming a branch of the United Automobile Workers at the main Canadian plant of General Motors.

• • • •

Building Labor Scarce

While full effect of the new Home Improvement Plan of the National Employment Commission is not expected to be felt before spring, already the industries most directly concerned are reported hampered by lack of skilled labor. The great bulk of the improvement work contemplated will be carried out by carpenters, plasterers, bricklayers and plumbers. On many jobs it will be necessary that services be synchronized, that is, that all four trades work almost simultaneously. This combining of services on a single small job, the renovation of a kitchen perhaps, is going to aggravate further the undisputed shortage of labor in several localities.

• • •

Export Prospects Bright

Great Britain is apparently cheered by prospects for export trade during the second quarter of 1937, according to the quarterly forecast of the Federation of British Industries. This is what it says:

"The recovery in home trade seems to be approaching a peak. Whether, however, the point of maximum activity will be reached this year or next year, it is too early to judge.

"Rearmament policy, the Coronation and the volume of public and semi-public work set in train during the coming year will be the determining factors.

"The prospects for export trade on the other hand are brighter than they have been for some time. The continuing rise in prices of important primary commodities should increase the purchasing power of many overseas countries and provide them with the much-needed funds for liquidating past debts and relaxing exchange restrictions. Coal, textiles and shipbuilding in particular should benefit, but certain other industries especially those in the non-ferrous metal and constructional categories may find it less easy to participate owing to the heavy pressure of orders on home account."

• • • •

Favorable

Index of general business conditions up substantially. Steel and iron production higher indicating continued revival in heavy industry. Newsprint production continues gain. Building permits up considerably from year ago reflecting better general outlook for construction and favorable building weather in first month of year.

• • • •

Unfavorable

Life insurance sales down 16%. Exports decline slightly. Imports of crude oil, cotton and rubber all decline.

Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest—		—Cumulative Total— Jan. 1 to date	
	1937	1936	1937	1936
Transportation—				
Car loadings (Feb. 13)	▲46,370	41,564	277,884	234,832
C.N.R. gross earn. (Feb. 14) $	▲3,403,904 $	3,047,278 $	▲16,821,380 $	18,704,915
C.P.R. gross earn. (Feb. 14) $	▲2,287,000 $	2,184,000 $	15,068,000 $	13,688,000
	1936-37	1935-36	1936	1935
Business Conditions—				
Weekly index D.B.S. (Feb. 6)	118.9	118.4	......	......
	MONTHLY DATA 1936-'37	1935-'36	1936	1935
Business Conditions—				
Financial Post index (Jan. '37)	▲118.7	108.1	......	......
Transportation—				
C.P.R. net revenue (Dec.) $	3,541,807 $	3,306,013 $	23,311,110 $	22,897,523
C.N.R. net revenue (Nov.) $	2,383,271 $	2,326,155 $	12,227,251 $	12,091,186
Iron and Steel (Jan. '37)—				
Pig iron production (tons)	▲66,400	61,336	......	......
Steel ingots and castings prod. (tons)	▲115,237	100,225	......	......
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Dec.)	9,583	5,244	94,203	83,242
Factory output (Jan. '37)	▲15,009	11,261	......	......
Trucks and Buses:				
Domestic sales* (Dec.)	1,021	842	20,438	18,219
Factory output (Jan. '37)	▲4,574	2,041	......	......
Exports (Jan. '37)	▲5,314	6,622	......	......
Construction—				
Building permits (Jan. '37) $	▲1,684,502 $	1,302,758	......	......
Contracts awarded (Jan. '37) $	6,622,200 $	13,610,400	......	......
Newsprint (tons)—				
Production (Jan. '37)	▲287,691	227,955	......	......
Exports, tons (Jan. '37)	259,543	184,883	......	......
Sugar (lb.)—				
Melting & sales§ (raw)	48,509,347	63,639,724	930,021,256	876,813,650
Manufactured§	95,656,430	86,679,521	1,055,584,264	980,625,260
Flour (bbls.)—				
Production (Dec.)	1,090,382	957,219	14,957,870	14,208,802
Wheat flour exports (Jan., '37)	313,923	314,311	......	......
Trade—				
Retail trade (index no. of sales) (December)	81.8	76.8	......	......
Imports (January '37) $	51,882,618 $	40,590,276	......	......
Exports (January '37) $	83,416,124 $	64,744,324	......	......
Wheat exports (bus.) (Jan., '37)	9,789,027	7,557,320	......	......
Employment D.B.S. Index (Jan. 1, '37)—				
All industries	103.8	99.1	......	......
Manufacturing	102.4	96.8	......	......
Electric Power Output (Dec.)—				
Total monthly m.k.h. (000's omitted)	2,324,915	2,156,525	25,493,474	23,404,412
Other Industrial Indices—				
Lumbering:				
Plank & board exports M bd. ft. (January '37)	156,913	72,236	......	......
Boot & shoe prod pr (Dec.)	1,689,942	1,565,986	21,888,531	21,712,686
Crude petrol., imp. gal. (Jan.)	▲54,639,651	61,131,349	......	......
Cotton imports, lb. (Jan.)	▲15,189,187	10,939,607	......	......
Raw rubber imp., lb. (Jan.)	▲3,656,423	3,938,272	......	......
Coal imports, tons (Dec.)	1,132,879	800,581	13,768,772	13,006,021
Cigarette cons., (Dec.) No.†	435,425	461,468	5,600,448	5,305,369
Finance—				
Bank debits (Dec.)† $	3,404,592 $	2,932,304 $	35,928,607 $	31,546,066
Bond sales (Jan., '37) $	206,871,200 $	150,657,114	......	......
Life insurance sales (Jan. '37) $	▲28,784,000 $	34,221,000	......	......
Automobile Financing (Jan. '37)—				
Used cars $	▲1,421,014 $	1,016,336	......	......
New cars $	▲1,848,131 $	1,054,002	......	......

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted
§For 4 weeks to Dec. 31.

Montreal Seeks Millions For Work Relief Projects

From Our Own Correspondent

MONTREAL.—Work relief projects involving an outlay of $43.2 millions have been put forward by the city of Montreal for approval of the Provincial and Federal Governments.

Of the grand total, $6 millions, estimated by city architects, is the cost of the proposed civic centre. The site has not been determined, although the mayor, sponsor of the idea, states that his plan was not to spend more than $1.5 million or $2 millions. Then there is a list of $15.2 millions of work in all of the 35 city wards asked for by the aldermen.

The public works officials of the city ask $19.2 millions for sewers and various other projects, which are awaiting either borrowing powers or work for relief grants to be put forward.

There is $2.8 millions of suspended or uncompleted work from last year and from the old 1933 programme, which included construction of three boulevards.

Abitibi Strike One-Man Job

Strike of workers at the Iroquois Falls mill of Abitibi Power & Paper Co. has been settled amicably and the mill has been running again this week.

The strike halted operations for a week. It apparently arose from employment of a non-union man, in a capacity, however, not requiring union qualification. Union officials were instrumental in convincing workers that the company is complying with agreements with organized labor.

What's What In Advertising

By TORY FLEMING

Activity in the industrial field in Canada has brought out some new advertisers and increased the efforts of regular ones. Kerr Engine Co., Windsor, makers of valves and hydrants, will make their appearance in the technical press after an absence of years with space in Modern Power & Engineering. Spring campaign of Champion Spark Plug Co. of Canada opens with the first of six full color pages in Canadian Automotive Trade. Morse Chain Co., Ithaca, N. Y., represented in Canada by United Steel Co., are now running full pages in Canadian Machinery.

• • •

Doubleday, Doran & Co. (Canada) and Longmans, Green & Co., both of Toronto, have appointed the F. H. Hayhurst Co. to direct advertising for them. Campaigns will follow much the same lines as in past years.

• • •

Magazine advertising by the Frigidaire Corp. will be considerably increased this year as compared to last. Plans also call for use of rotogravure, augmented newspaper space and co-operative advertising with dealers. Baker Advertising Co., Toronto, directs the account.

• • •

A special Coronation issue of Canadian Tarde Abroad is scheduled for April. The growing interest of Canadian manufacturers in export markets is reflected in the large number of new advertisers who will appear in the number. Editorial will consist of a de luxe presentation of Canada and its products.

• • •

Opening of an office in Toronto on Mar. 1 is announced by the Walsh Advertising Co., Windsor. Location will be in the Toronto General Trusts Building and among the staff will be R. Stewart Green, hitherto in the Windsor office.

• • •

Advertising is being placed in a new campaign for Marmite, British yeast food distributed in Canada by MacLaren-Wright Ltd. Newspapers, trade papers and medical journals are being used. Vickers and Benson, Toronto, are the advertising agents.

• • •

Advertising commences next week for the Mining Research Corp., consulting and operating engineers to the mining and metallurgical industries. A series of advertisements describing and illustrating mining practices of the 16th century which differed little in principle from those of today will appear in a list of trade publications. Tandy Advertising Agency Ltd. directs the account.

Subsidize Export Of Argentine Beef

The Argentine Government has undertaken to offset partially the new British duties on beef imported from Argentina and other non-empire countries.

A sum not to exceed 15,100,000 pesos (about $5 millions) per annum has been allocated to be used by the National Meat Board in reimbursing beef producers and exporters for a portion of the loss incurred on shipments to the United Kingdom through the application of the new British tariff of three-fourths pence (1.5 cents) per pound on chilled beef.

The immediate objective of the beef export subsidy, according to a report to the U.S. Bureau of Agricultural Economies, is to remove from the Argentine livestock industry the burden of about one-third of the new British tariff.

Argentine officials hope that eventually the incidence of the tariff may be distributed equally among producers, packers, distributors and British consumers.

The fund for the subsidy is to be taken out of the profits made by the Government on its sale of foreign exchange. Money from this source was used to pay the difference between world and Argentine minimum wheat prices, before the guaranteed wheat price policy was continued about a year ago.

New Sedan Ambulance Turned Out By Studebaker

Studebaker Corp. of Canada announces a new sedan ambulance. This two-door combination which is known as the St. Regis sedan ambulance, can, it is claimed, be converted from sedan to ambulance in 40 seconds. It is available on the Dictator six-cylinder chassis.

The new dual-purpose Studebaker features a cot in the rear trunk compartment which is instantly available for emergency use. When the cot is in use for ambulance duty, the right front seat is carried in the trunk compartment.

A definite market for this type of car is said to have been established during the past two years.

Paint Trade Research Aimed at New Markets

Research efforts aimed at discovering new uses for paints and varnishes in Canada have received marked stimulus from partial displacement of those materials by development of stainless steel, metal decorative materials, vitreous enamel and other products which have provided increasing competition for makers of paints and finishes.

Trade circles, taking a cue from the efforts of the wood industries, have trained investigators at work to find new outlets for paints and varnishes as other products replace wood.

NEW LINCOLN ZEPHYR

Lincoln Zephyr have added this 1937 coupe to their Canadian line. A 3-passenger seat and commodious luggage space under the long rear deck, are features.

Background of Business

Tax Threats Still Worry Chain Stores in Quebec

Many Municipalities Seeking Heavier Levies — Australia Would Sell Canada More Goods — Coffee Consumption Leads Tea

While Verdun, Quebec is understood to have withdrawn its request for a special chain store tax any rejoicing there by the chains will be sobered by the fact that other Quebec municipalities have applied for permission for heavier levies. Granby, Sherbrooke, Farnham and La Salle have all requested permission to impose special chain store taxes. Quebec City seeks permission to impose a special tax of $500 per unit. In view of some of the promises made by the members of the present Provincial Government, previous to the election last year, it is considered likely that these applications for authority to impose special taxes will probably be favorably considered.

• • •

May Leave Field

Canadian Grocer understands that there is a possibility that an advertising campaign may be established to give the chain's viewpoint to the public. But it is considered more likely that the number of units, particularly those operated by the larger companies, will be considerably reduced in the coming year and that larger ones will replace them.

Few chain companies in Quebec are making any money. Some are showing a profit in certain units but losing in others. Some of the larger chains, it is understood, could close out their entire Quebec business and even with the resulting increase in overhead by the reduction in the number of retail units, they would still probably be ahead. No wholesale withdrawal from the Quebec field, however, is understood to be contemplated but rather a selected withdrawal.

• • •

Australian Trade

Australia apparently is not satisfied with the amount of trade she is doing with Canada. The balance is greatly in favor of this country but this is largely due to heavy exports of manufactured goods and newsprint that are not made to any extent in Australia. Principal Australian exports are food products and many of them are competitive with Canada. This is not the case, however, with dried fruits such as raisins, apricots and currants. Imports of these have been very large with the bulk of Canada's purchases coming from the sister Dominion.

There have been fairly substantial imports also of Australian canned fruits although the trading here is not relatively as large as in dried fruits. Canada apparently still shows a preference for the American type of canned goods. These resemble more our own type both in the quality, the method of packing and the package.

Trade negotiations are now being conducted between Australia and Canada and no doubt some of the discontent voiced in the former country may be classed as the usual bargaining smoke screen raised when negotiations are in progress between any two countries.

• • •

Coffee Ousts Tea

Canadians at last appear to have succumbed to the American habit of drinking more coffee than tea. For the first time coffee consumption in this country appears to be leading. Originally imports of tea were more than double those of coffee but in the last 10 years the trend has been gradually the other way with the strong probability that coffee imports will actually exceed those of its rival for 1937.

In the table below showing the comparative imports it should be explained that the high jump in tea imports in 1931 was more or less artificial as importers stocked up fearing an increase in the duty in that year. However, any surplus accumulated in 1931 and 1932 as a result of duty fears, was completely absorbed long before 1936 so that the trend in the last two or three years may be taken as a normal one.

COFFEE VERSUS TEA

†Imports for Years Ended March 31

	Coffee lb.	Tea lb.
1922	21,745,555	38,844,703
1923	21,633,170	40,278,205
1924	22,234,267	39,725,559
1925	22,243,378	33,223,149
1926	22,026,341	37,376,910
1927	25,963,445	37,091,340
1928	28,341,800	38,658,494
1929	26,681,309	39,425,956
1930	30,219,423	38,102,295
1931	32,564,656	53,603,341
1932	33,385,351	42,765,703
1933	33,332,123	38,417,276
1934	33,117,206	36,192,227
1935	33,349,420	30,370,010
1936	36,795,544	37,148,787
9 mos. end. Dec.	30,128,654	29,718,054

• • •

Doubt Tomato Statistics

While wholesale grocer brokers are scrambling for supplies of canned tomatoes and tomato juice the Dominion Government has recently issued statistics showing a total pack for 1936 as the largest in five years and almost 15% above the average consumption.

"Even though the canning season stretched out well into October last year," states Canadian Grocer, "the reported size of the pack came as a big surprise. The grocery trade generally considers that the government figures are much too high. It is known that many of the canners packed more tomato juice than usual last year but not twice as much as the government figures would indicate. The trade also recalls the comparatively short packs of both canned tomatoes and tomato juice in Quebec, due to the unfavorable weather conditions in that province last season.

Incidentally the fact that the canners are packing more tomato juice indicates very clearly that consumption of this commodity is no longer a fad but a substantial and growing outlet for Canadian tomatoes.

• • •

Country Stores

A new retail sales report on the business of country general stores has made its appearance from the Bureau of Statistics, Ottawa. The new report will be published monthly to fill the need of an index measuring specifically the sales in rural communities as apart from retail sales in department and chain stores in urban centres.

The index is available for eight areas in Canada of which three are in Ontario, one in Manitoba, two in Saskatchewan and two in Alberta. At present 375 stores are included in the coverage of which 116 are in Ontario, 47 in Manitoba, 90 in Saskatchewan and 122 in Alberta. All these areas in December showed an improvement in sales, the increase ranging from 2.8% in western Ontario and compared with December, 1935, to an increase of 21% in Northern Alberta. Ontario as a whole showed an increase of 5.7%; Manitoba 15.5%; Saskatchewan 11.4% and Alberta 10.3%.

• • •

High Average Sale

The other day the head of a leading men's furnishing store in Canada was going over his 1936 accounts. He found the average sale per customer amounted to $2.19 in 1936, compared with $2.09 the previous year and a low point of $2.00 for 1932.

Looking back over earlier records he found the average for a 22-year period was $2.18; that the high mark was $2.92 in 1920 and that after slipping off considerably in subsequent years the average had risen to $2.40 in 1929.

Though price levels and sales volume influence the figures, they are interesting nevertheless.

• • •

Shipping Prospects

Prospects for shipping engaged in Canadian services are brighter than they have been for some time, according to W. R. Eakin, president, Shipping Federation of Canada, speaking at the 34th annual meeting of the Federation. Mr. Eakin was re-elected president for 1937. Mr. Eakin referred especially to the commercial agreement between Canada and other sections of the Empire, to the improvement in freight markets with increased demand for tonnage and to important co-operative and stabilizing efforts within the industry. He referred to the fact that an agreement made in 1936 with the National Independent Union of Long Shoremen has been extended for a further period of one year and remains in force until the end of 1937.

In regard to Montreal he referred to the fact that the port was open for ocean tonnage for 245 days in 1936 and was used by ocean and floating vessels of 5.7 million net tons compared with 5.1 million net tons in 1935. Grain delivered from the port rose 27% while new high marks were achieved in Canadian bituminous coal tonnage and oil imports. The total cargo tonnage was slightly in excess of 13 million tons.

• • •

Transport Association

Definite plans for the formation of an automotive transport association in New Brunswick are under way, according to Bus and Truck Transport.

T. Earle McKay is chairman of a committee to draft constitution and by-laws, etc. New Brunswick is the only province without this type of organization.

Regardless of the Amount

Whether the amount to be invested is large or small, clients of this firm are assured of careful and courteous attention to their requirements.

A complete investment service is available at any of our Branches

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

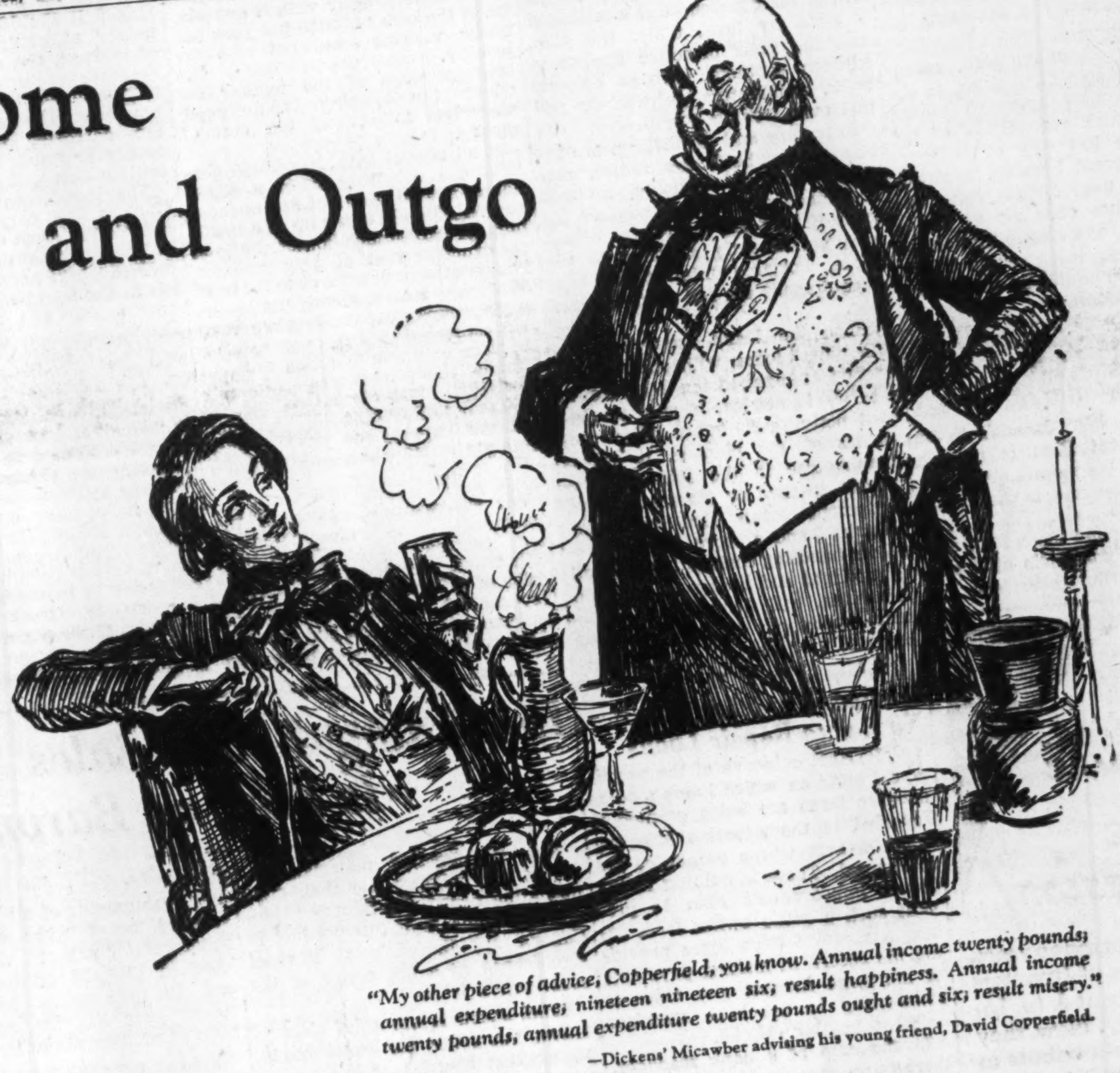
We recommend as a sound investment

GREAT LAKES POWER CO.
4¼% FIRST MORTGAGE BONDS
Due September 1, 1956
Price: 98.50 and interest to yield 4.37%

Distributes electric power to the City of Sault Ste. Marie and surrounding territory. Interest on these bonds covered in 1936 3.68 times after depreciation.

McLEOD, YOUNG, WEIR & Co.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa
Montreal
London
Hamilton

THE
LONDON & WESTERN TRUSTS
COMPANY LIMITED
ESTABLISHED 1896
LONDON - TORONTO - WINDSOR - WINNIPEG - VANCOUVER



Income and Outgo

"My other piece of advice, Copperfield, you know. Annual income twenty pounds; annual expenditure, nineteen nineteen six; result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six; result misery."
—Dickens' Micawber advising his young friend, David Copperfield.

WHAT happened to last month's salary? It went—but where did it go? If you want to keep a check on your expenditures, put next month's salary on a budget basis. A budget will tell you just where your money is going, *before* it goes instead of *afterwards*.

Planning ahead is the surest way of getting ahead—and getting the most out of your income should be an important part of your budget plans. You may find that by budgeting you can do things you never dreamed possible with your income.

Every budget should include life insurance. You can get the most out of this item in your budget through a carefully planned program that will protect your family and safeguard your old age. Then if anything happens to you, your life insurance will provide the backbone of your family's budget and take care of necessary items such as food, clothing, shelter and education.

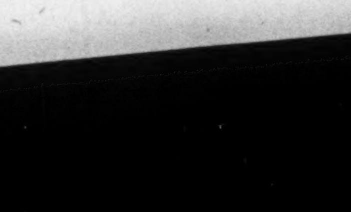
A Metropolitan Field-Man is trained to help you plan your Life Insurance Program. Telephone to him or mail the coupon.

The Metropolitan issues life insurance in the usual standard forms, individual and group, in large and small amounts. It also issues annuities and accident and health policies.

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

METROPOLITAN LIFE INSURANCE Co., OTTAWA.
Without obligation on my part, I would like to have information regarding a Life Insurance Program to meet my needs.
NAME..
ADDRESS..
CITY..PROV.......................... Y137

METROPOLITAN LIFE INSURANCE COMPANY
CANADIAN HEAD OFFICE—OTTAWA
FREDERICK H. ECKER
Chairman of the Board
LEROY A. LINCOLN
President
SERVING CANADA SINCE 1872



In The Construction World

HOUSING authorities in Canada and the United States are frank in their admissions that no effective low-cost housing scheme is likely to succeed without some form of state assistance. The keynote of the problem lies in the fact that a modern, hygienic, low-cost home cannot be carried on the monthly income of the average worker unless the gap between average monthly income and monthly carrying costs is bridged by some form of state assistance.

The new $250 millions, subsidized, plan of the National Employment Commission, to be submitted to the Dominion Government, recognizes that a monthly income of the average low-wage worker does not permit payment of more than $15 a month for housing, but that the carrying charges for a $2,500 home suitable to the needs of such workers are at least $23 to $24 a month. The proposal is a state fund to bridge the gap, contributed by Dominion, provincial and municipal governments. The amount is expected to be around $100 a year, but in return the reduction in relief charges is expected to more than compensate for the subsidy.

There are many other provisions designed to cope with special problems arising in connection with the plan, but the essence of the scheme involves state assistance.

In this connection, "Business Week," comments on the fact that housing authorities limited either to state-wide or municipal jurisdiction have been created in 21 states. "But," the publication adds, "not even the most optimistic housing experts in Washington believe that they can get effective public support without a system of federal grants."

Much the same situation has developed in Canada, where attempts to stimulate low-cost house construction have failed to fulfill earlier expectations because no concerted, Dominion-wide effort, until now, has been developed on a basis to include close co-operation among the Dominion, provincial and municipal agencies in the housing field. An equally important reason is that in terms of dollars and cents, most of the projects developed to date have failed to attract the necessary investment capital.

The new Canadian plan, recognizing the basic difficulties, is the result of a new approach to the problem, frank recognition of the obstacles in the way of self-supporting low-cost housing, a means of diverting unproductive relief expenditures into channels of building activity, and rehabilitation of families whose living conditions are admittedly deplorable in many sections of the country.

* * *

Elastic Loan Plan Benefits Retailers

ONE reason why Canada's Home Improvement Plan is proving more effective than similar schemes attempted in the past is the elasticity of its provisions. The plan is designed to provide loans for home equipment and materials of a permanent nature, but there is a fine distinction in the case of permanent home equipment.

Provisions of the plan were discussed last week by I. Markus, secretary for the plan in Ontario, who addressed representative Ontario hardware dealers. Stoves, refrigerators and similar appliances were cited, and it is evident that the scope of the plan is definitely widening to include something more than home modernization in a purely construction sense.

When stoves, refrigerators and similar equipment form part of a general scheme of kitchen modernization and are installed as permanent fixtures and wired to the house, their purchase is considered eligible for loans under the plan, and the same principle applies to kitchen cabinets, garbage disposal units, incinerators, dishwashers and and even ironing boards.

Furniture and furnishings are ineligible, but bookcases, radios, mirrors, awnings, medicine cabinets and other articles are eligible for loans if they are built-in or otherwise permanently attached to the house. Portable units of this type of equipment are not eligible however.

Since the loans are essentially "character" loans, without collateral or endorsement, some measure of security is needed, if only to prevent petty theft, but detailed provisions of the plan as it effects merchandise in the form of permanent kitchen or other household equipment mean that hardware, electrical, and a score of other retailers handling installations, as well as the light and heavy construction industries, will benefit from business arising out of the broadened scope of the plan.

* * *

Mortgage Indebtedness No Bar to Repair Loans

FURTHER evidence of the practical basis on which home modernization loans are being granted is revealed in the situation affecting home owners whose properties are mortgaged. There is nothing in the Home Improvement Plan to prevent such a home owner from securing modernization loans providing his record in making payments of mortgage interest and taxes is satisfactory to the bank manager or other lending official.

In the case of a bank manager, there is no necessity for submitting the application for a loan to his head office or government agency, but where a mortgage exists it is probable that some enquiry will be made concerning the credit record of the applicant. Obviously, if interest payments have not been met and taxes are in arrears, a home modernization loan is not likely to be granted, but where a home owner has shown his ability to meet these "first charges" there is likely to be no objection to a loan merely on the score of mortgage indebtedness.

Once granted, a loan may also be the subject of re-adjustment in the event of emergencies causing financial embarrassment to the borrower, when the latter is known to be responsible. Re-arrangement of the contract, easier terms of payment, extension of the time for payment and other adjustments are made possible under the provisions of the new system.

* * *

$1,000 Per Family For Apartments

A RECENT amendment to the Home Improvement Plan provides that apartment house owners can take advantage of the plan to modernize their buildings. Apartment house owners may now borrow up to $1,000 for each family unit of the building and an additional $1,000 for the building as a whole.

For private householders a further provision makes it possible to borrow for the purpose of converting a single-family house into a duplex or apartment house, a method by which a hitherto nonrevenue producing dwelling can be made into one that will yield an income. For apartment houses, loans of more than $1,000 can be extended over a five years' period.

Despite the Depression!

Even during depression years, the total resources of Investors Syndicate continued to increase substantially. Now, they total $90,889,855—a tribute to the stability, strength, and conservatism of an institution that has helped thousands to achieve financial independence.

In Canada, the *LIVING PROTECTION* plan of Investors Syndicate is being used by thousands of Canadians throughout the Dominion to build up a financial reserve for their maturer years. Under this plan, a little set aside each month—regularly—returns a sizeable little fortune in 180 months.

During the past seven years of depression and recovery, Investors Syndicate has paid out to its contract-holders no less a sum than $55,352,834.

Our booklet "A New Plan of Life" tells you all about the plan. Your copy awaits your request.

INVESTORS SYNDICATE
Established 1894

Agency Offices of
INVESTORS SYNDICATE LIMITED
(Head Office: Montreal)
and INVESTORS SYNDICATE
(Head Office: Minneapolis)

159 BAY STREET,
TORONTO, ONT.

at St. John, N.B., Montreal, P.Q., Sherbrooke, P.Q., Three Rivers, P.Q., Hamilton, Ont., Windsor, Ont., Winnipeg, Man., Regina, Sask., Calgary, Alta., Edmonton, Alta., Lethbridge, Alta., Vancouver, B.C., Victoria, B.C., Cranbrook, B.C., and Vernon, B.C.

Production of $2,500 Homes Envisaged in Ottawa Plan

State Subsidy Seen as Substitute for Relief Costs in Large-scale Housing Proposal of National Employment Commission

From Our Own Correspondent

OTTAWA.—A large-scale low-cost housing scheme for workers in the lower income brackets has been worked out by the National Employment Commission and submitted to the Government for approval. If it can be adopted substantially as outlined by the housing experts of the commission, it will provide for a maximum of $250 millions of residential building in the near future.

Essence of the scheme is a state subsidy—jointly provided by Dominion, provincial and municipal authorities—reaching a maximum of $10 millions per year. The subsidy will bridge the gap between economic rents for the houses contemplated, and the financial capacity of the average worker—a sum in the typical case not far short of $10 per month.

There is no recommendation that the Dominion Government should attempt to construct houses. The scheme envisages either municipal construction, or construction by public utility companies formed for the purpose of building and managing blocks of such residential properties.

The Dominion Government, it is understood, plans to implement the report of the National Employment Commission, though the scheme as finally adopted will probably vary considerably from the engineers' recommendations.

It is not yet clear whether an entirely new act will be necessary to launch the scheme, or whether the present housing act can be readily expanded so as to permit state-subsidized housing along the above lines.

State assistance for the scheme involves a maximum annual grant of $5 millions from the federal treasury, and a similar sum from provincial plus municipal authorities. This money would not be recovered, but the National Employment Commission believes that it would reduce the annual direct relief bill by a similar amount, and accordingly that the financial burden of unemployment would be no greater as a result of the scheme, and might ultimately prove to be much less.

The field in which the state would operate is one where there is now practically no private enterprise, and little prospect of any, it is claimed. The effect of the subsidy would be to enable builders and operators to construct commercially profitable houses for the lower-income groups for the first time in Canadian history. The maximum benefits of the scheme can only be obtained where sufficiently large blocks—100 to 1,000—of houses can be erected at the one time and in the same place.

As a basis for discussions, the consulting engineer of the commission has worked out plans for a $2,500 house built on a $200 lot which meets the requirements of modern hygienic ideas for the average-sized family.

$24 a Month

Canadian cost studies of the construction and operating cost of such a house, with municipal taxes stabilized over a period of years, indicate roughly that $23 or $24 per month will look after the charges.

As against this economic rental cost, the sum available from the budget of the average low-wage worker is not more than $15 per month at maximum. The gap between these two will, it is suggested, be met from a state fund to which Dominion, provincial and municipal Governments will contribute upon a scale to be arranged.

The state subsidy will, it appears, be in the order of $100 per year per house, varying somewhat with the locality, construction costs, the average wage of the worker for whom the housing is designed, municipal taxes, and the cost of money.

If an annual subsidy of $100 permits the construction of a $2,500 house, a total grant of $10 millions per year should allow up to a maximum of 100,000 such houses at a total construction cost of $250 millions. The question will arise as to the need of so many houses among the lower-wage groups. The Ganong report of 1935 estimated that there was then a shortage of 82,000 dwelling units in Canada, rising at the rate of 27,500 per year. Most of this deficiency, though not all of it, is in housing for workers capable of paying only from $12 to $18 per month rent.

State Supervision

The successful operation of the scheme will involve close co-operation between the Government authorities, and continuous supervision of the state-aided schemes by Government officials. If the gap between real rent costs and capacity of the worker to pay is to be met by a state subsidy, the state will have to be satisfied that the rental costs are actually as claimed, and when the real wages of the workers occupying the houses rise or fall, adjustments downward or upward in the subsidy will be necessary.

Workers able to pay rents in non-subsidized houses will have to be rigidly excluded from the benefits of the scheme, which is intended to provide decent housing for those unable, of their own efforts, to secure it.

The authorities at Ottawa who have been working on these plans realize that the proposition raises a considerable number of economic problems.

To Aid Private Building

When the subsidy is available, it is expected to stimulate municipal and private building in somewhat the following manner:

A municipal or private housing corporation will be formed to provide a block of residences in a Canadian city or town. It is assured beforehand that it will be able to obtain economic rents for the structures, partly from the workers' contribution, partly from the state fund provided for that purpose. For this reason it should be able to obtain money at exceptionally low rates of interest, the effect being that a reasonable return on the investment is guaranteed by the several Governments. The cheaper the money, the narrower the gap between economic rents and the workers' contribution will be.

The inducement to private contractors and corporations may be sufficiently great to start residential building in all of the large industrial centres where housing for the workers in the lower-income brackets is now acute. But the Employment Commission and the Governments would probably combine in a national publicity campaign in which the support of public-spirited citizens to invest in such corporations and otherwise assist in launching the scheme will be solicited.

Extensive studies of housing schemes in Britain and other countries have been obtained by the National Employment Commission. Public utility companies with limited dividends have been an important factor in improving the housing situation in Great Britain, and members of the commission hope to be able to encourage the formation of similar corporations here.

Investment Attention Focused on Building

Stimulated by the plans of the National Employment Commission for mass production of low-cost homes and the indications of expansion this spring in operations of the Home Improvement Plan, investment circles are directing new attention to securities of Canadian construction companies.

Nesbitt, Thomson and Co. has recently issued a booklet, "The Construction Industry in Canada," reviewing current trends in the industry.

That the influence of new nation-wide housing provisions will be pronounced in the case of construction companies is evident, but a wider implication is seen by Nesbitt, Thomson and Co. in the possibility that a revival of building in Canada may do more than any other single factor to hasten the process of general economic recovery in much the same manner that marked the revival of British home industry immediately after the war.

Insulating Board Sales Is Seen as Barometer

Few construction materials enjoy wider building use than rigid insulating board and figures of domestic shipments of this product in Canada are therefore of unusual significance as a barometer of the construction trend.

Panel board is the chief classification, but totals for panel board, plaster base board, roof boards and miscellaneous boards, compiled by the Dominion Bureau of Statistics, reveal a tremendous expansion in all classifications during 1936. Domestic shipments of all types of insulating board were 40.6 million square feet compared with 28 millions in 1935; 25 millions in 1934, and 15 millions in 1933. In no recent year has the annual gain been so pronounced as in 1936.

Viewed over the long trend since 1933, this phase of construction activity is one of the most striking evidences of the gradual improvement of the industry as a whole.

New Type Cased Boiler To Be Made in Canada

Important in the field of industrial construction are the arrangements just completed by Canadian Vickers Ltd., Montreal, for the manufacture and sale in Canada of the "Keeler" type "CP" water tube boiler.

The combustion chamber of the "Keeler" type boiler is equipped with water-cooled walls. A single row of tubes from the top drum connects each header for the full length of the furnace and while providing an effective water cooling surface, also protects the boiler setting from excessive heat and erosion.

A four-inch insulating blanket and a steel casing are features of the boiler which saves a full two feet in width for a given furnace dimension. More horsepower for a given cubic space in the boiler room is claimed for the new type which has been marketed in the U. S for the last year and a half. Under construction or installed in U. S. plants are 83 boilers from 50 to 550 horsepower.

Can. General Investments New Management Contract

Shareholders of Canadian General Investments Ltd., Toronto investment trust, passed a by-law at the recent annual meeting placing authority to arrange management contracts in the hands of the board of directors.

In 1930, Canadian General Securities Ltd. was appointed manager at an annual fee of ½% of the trust's net assets. In 1931 the fee totalled $38,022.

In 1933 the trust agreed to pay the manager an annual fee of $25,000, with authority for directors to pay a larger amount but not exceeding ½% of the paid-up capital and reserves and surplus when the total exceeds $5 millions. Shareholders have now authorized cancellation of the management agreement and have given directors the authority to arrange such management and remuneration as the directors consider proper.

Hennessy & Hennessy
LIMITED
GENERAL CONTRACTORS
Road Builders
Clearing Transmission Lines, Townsites, etc.
Freight Transportation
Write for full information and details of work we have done.
ADDRESSES:
Haileybury, Ont. Rouleau Siding, Que.

Repair Loans Show New Gain

Seasonal Expansion Revealed Since Year-end Period

Seasonal increases in loans made under the Dominion Home Improvement Plan are reflected in figures for January, following the year-end holiday period in which loans dropped to the lowest point since the plan was inaugurated last autumn.

From a total of $1,198,253 at the end of December, loans rose to $1,501,167 at January 31, and Ontario continued to lead the Dominion in point of volume and number of loans granted. Montreal is the centre of home modernization among Canadian cities, the figures reveal, with Toronto a close second.

Cumulative figures of home loans made since the plan was placed in operations are as follows:

Improvement Loans

	Number	Amount
Nov. 1-15	884	$ 330,000
Nov. 15-30	934	352,000
Dec. 1-15	822	318,000
Dec. 15-30	519	198,253
Jan. 1-31	800	302,914
	3,959	$1,501,167

Activity Foreshadowed

A general tabulation of the growth of home repair loan figures since Nov. 1, 1936, reflects seasonal influences but foreshadows a wider scope of home improvement and modernization as the plan becomes more familiar to home owners. The Government guarantees lenders against loss up to 15%, and with an amount of $50 millions estimated under the plan, at least half of this total is expected to be spent during the coming spring months. To date the plan has operated during a period in which building and home improvement operations are normally at the lowest ebb of the year but substantial increases in loan figures are anticipated during the next two months.

To January 31, figures for loans and amounts, by provinces, reveal Ontario far in the lead in utilizing the new plan for home modernization borrowing:

Loans in Provinces

	Loans	Amount
Prince Edward Island	35	$ 11,899
Nova Scotia	431	134,240
New Brunswick	218	73,443
Quebec	751	337,497
Ontario	1,455	518,194
Manitoba	163	61,586
Saskatchewan	114	36,503
Alberta	345	146,693
British Columbia	547	181,108

Detailed figures for Canadian cities are available only to the end of December but they indicate the municipal areas in which the trend in home repair loan borrowings is gaining momentum and where the spring months are likely to find home modernization activities on a broadened scale.

Model Dwellings Find Quick Sale

A year ago, in order to capitalize on the interest in housing in the United States, a popular magazine launched a "Home of the Month" merchandising plan. As a result, some 60 construction and realty firms were induced to erect model homes throughout the country in any one of 12 different designs. Co-operating manufacturers and retailers furnished them.

It is estimated that more than half a million people have inspected the various houses erected all of which have since been sold.

Most of these houses would be priced at from $4,500 to $7,000 in most urban cities in Canada. They were largely of the six room type, part frame and part stone or brick and completely equipped with air-conditioning.

DB COMPANY LIMITED

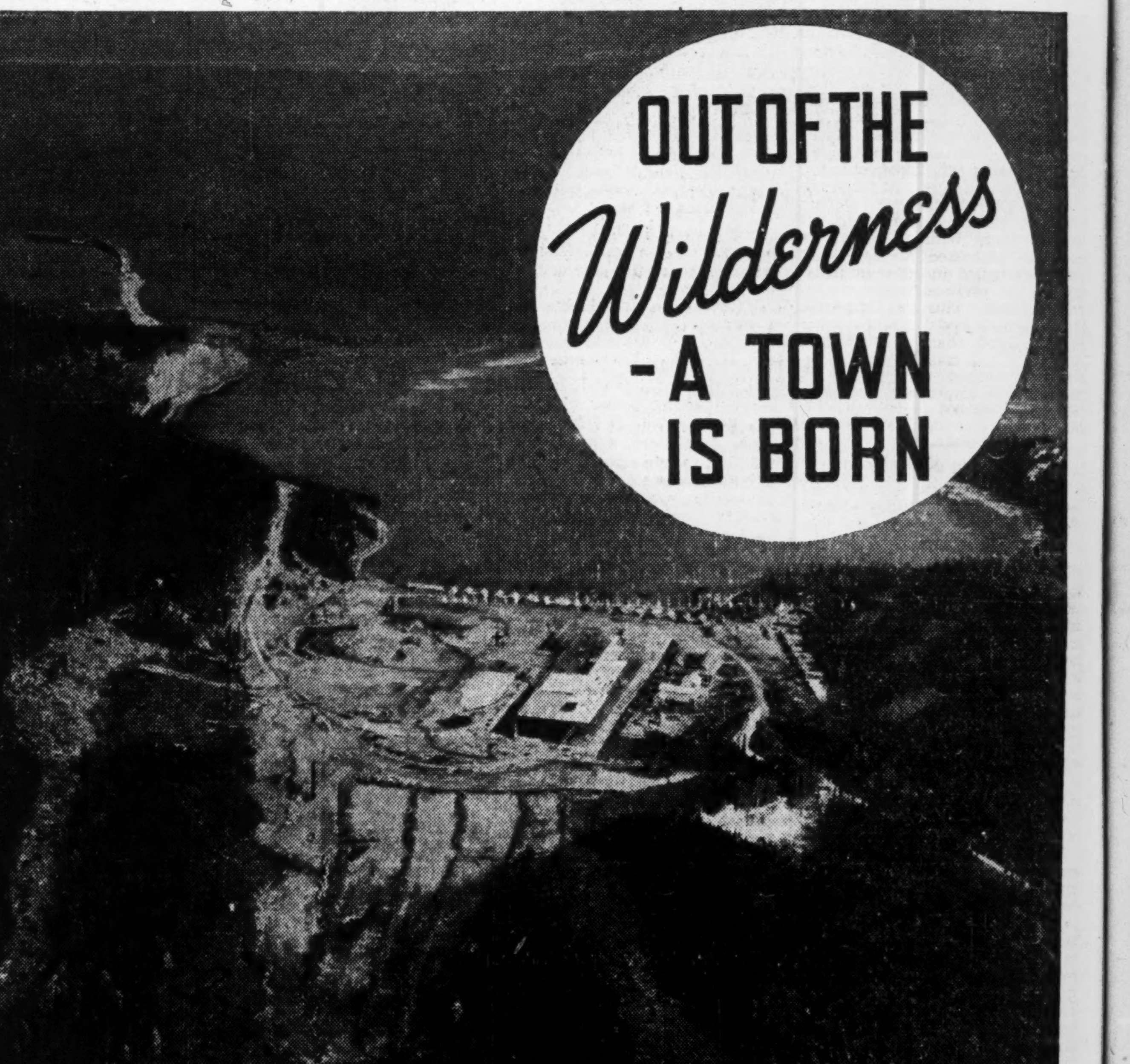
Steel Structures, Railway and Highway Bridges, Plate and Tank Work, Electric and Hand Power Cranes, Hydraulic Regulating Gates and Operating Machinery, Caissons, Barges, Coal and Ore Bridges, Liftlocks, Turntables, Forgings, Boilers - Heating and Power Types, Coal Pulverizing Equipment, Domestic Heating Furnaces, Mining Equipment, Williams Buckets.

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE ... LACHINE (MONTREAL) QUE.
AMHERST MONTREAL OTTAWA TORONTO
WINNIPEG REGINA CALGARY EDMONTON VANCOUVER

Abitibi Power & Paper
Company, Limited
TORONTO, ONT.

Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp



Aerial view of Baie Comeau Development on the North Shore of the St. Lawrence, 100 miles beyond the mouth of the Saguenay. Construction was commenced April, 1936. The above picture was taken in September.

—Photograph courtesy of Canadian Airways Limited.

View of heavily forested townsite which had to be cleared before construction started.

WHEN The Ontario Paper Company decided to erect a newsprint mill at Baie Comeau — far down the isolated North Shore of the St. Lawrence — construction of the entire project — the mill, the town, local transportation facilities, the power development and the transmission line — was entrusted to The Foundation Company of Canada Limited.

The many problems of terrain, of transportation and of diversification of effort in a project of this type call for unusual facilities, for a personnel having long and varied experience, and great technical skill.

Possession of these qualities, coupled with an enviable record of accomplishment, has been responsible for this company's participation in such other pulp and paper projects as Anticosti Corporation, E. B. Eddy, International Paper, Maclaren's, Mersey Paper, Port Alfred, St. Lawrence Paper and Wayagamack.

Today, with the pulp and paper industry forging ahead, the entire resources of The Foundation Company are at the disposal of those considering rehabilitation of existing plants or new developments.

THE FOUNDATION COMPANY
OF CANADA
LIMITED
MONTREAL HALIFAX

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of nonsubscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp must be enclosed. Address The Financial Post, 481 University Ave., Toronto.

Asbestos Bond

I have $1,000 Asbestos Corp. bond which I bought at 72. These bonds are quoted at 110, but callable at 100. Would it be advisable for me to sell this since there is some talk of the bonds being called and they would then only have a value of 100?

You do not necessarily need to sell your Asbestos bond to get the premium at which it is selling. The company apparently plans to pay off arrears of interest to bondholders in cash, so you would get part of the current price in the form of income, and if the bonds are called, you would still get $1,000 principal. That is, the company cannot pay off the bonds without also paying the arrears of interest.

Imperial Tobacco

I have been recommended to buy some Imperial Tobacco of Canada stock. I know very little of this company, but would like a brief opinion from you.

Imperial Tobacco Co. of Canada is the largest organization of its type in Canada, controlling about 70% of total business in the country. The financial position is an exceptionally strong one and dividends have been paid regularly for many years. The common stock is generally regarded as a stable type of equity investment and little subject to stock market fluctuations in value. The dividend return, including the bonus, gives a relatively small yield.

Great Lakes Power

I would appreciate your opinion of Great Lakes Power 4¼% bonds.

Great Lakes Power 4¼% bonds are well regarded. During the depression the company earned its bond interest in every year. Earnings, in fact, were more than sufficient to cover all fixed charges, which includes interest on advances from the parent company. During 1936 the company refinanced its first mortgage bonds and at the same time increased the amount of the bonds issued in order to partially pay off advances from the parent company. This has improved the company's position since it has reduced fixed charges. The issue of bonds which was redeemed, carried a 6% coupon. Earnings of the company are improving, profits in 1936 being $85,000 higher than in 1935.

Huron & Erie

Can you give me a report on Huron and Erie Mortgage Corp.? What are the prospects of the company?

Like all mortgage concerns, Huron and Erie Mortgage Corp. experienced declining earnings during the depression. In the past three years, however, profits have been stabilized at slightly over $6 a share. While the company, in common with other mortgage companies, has suffered losses on its mortgages in Western Canada, its reserves have been more than sufficient to offset these. We are informed that in addition to the reserve of $1.5 million shown in its balance sheet, the company has substantial internal reserves.

The period of declining earnings seems to have come to an end, but companies such as Huron and Erie cannot yet hope for sharply higher profits. In this connection it might be pointed out that mortgage rates have been reduced substantially in recent years and for this reason, profits may not recover to pre-depression levels for some years at least. On the other hand, collections are improving and should continue to do so. Recoveries will probably be made on some investments which have been written down during the past seven years. This may enable the company to increase its earnings.

Consolidated Bakeries

I hold some shares of Consolidated Bakeries and would appreciate your comments on the company's financial standing and prospects.

Consolidated Bakeries showed earnings of 90 cents a share in 1935, which was just the amount of the dividend paid for that year. In 1936, dividends of $1 a share were disbursed, reflecting improvement in earnings. Conditions in the bread business have improved materially in the past two years. The company is in a strong liquid position, is well managed and is capable of obtaining its share of improvement in the bread and baking business.

Phoenix Elevator

Can you give me any information regarding Phoenix Elevator? Where is the head office of the company and is it still operating? I had class A shares of another company, but in a reorganization a number of years ago, I received common stock of Phoenix Elevator in exchange. Are these shares worth anything today?

Phoenix Elevator Co. has been operated by a bondholders' committee since 1934, interest on the bonds being in default.

Common shares were issued in exchange for shares of Electric Elevator and Grain Co. on the basis of one share of Phoenix common for each class A share and for each four class B shares of Electric Elevator. There is no market for the common stock and there seems to be little possibility of it having any value.

The company has two storage units at Fort William, Ont., with a combined capacity of one million bushels. The head office is at Fort William.

Dominion Motors

Could you give me any information on Dominion Motors Ltd.? I hold a few shares of this company's stock. I recently read in The Financial Post that it is not wise to destroy seemingly worthless stock certificates and am wondering whether these shares are in this class.

Dominion Motors Ltd. has been inactive since 1933. Directors have been endeavoring to sell, lease and otherwise dispose of the assets and undertaking. Portions of the land and buildings have been sold and leases made for other parts of the property. Assets have been revalued, and at March 31, 1936, the net equity for the common shares was shown at 52 cents each.

Apart from some $13,000 of sundry and current assets, the principal security is land, plant and building valued last year at $675,330. In addition to current liabilities, the company's principal debt was a bank loan for $517,764. This must be liquidated before anything is coming to shareholders. Consequently, the hopes of a payment on the shares are dim, because even the bank loan may not be satisfied by final liquidation. However, the certificates may ultimately have some value, so they should not be destroyed.

Federal Grain

Do you think that Federal Grain preferred would be a good hold for appreciation?

H. E. Sellers, president of Federal Grain Ltd., stated in the company's last annual report that small volume of storage and handlings of grain would have an adverse effect on earnings in the year running to July 31, 1937. In the year ended July 31, 1936, the company barely covered bond interest, after depreciation, and showed no earnings at all on the preferred stock. The company has earned the preferred dividend in only one year since 1929, and in other years has shown only a few cents a share earned on the stock. Consequently, the immediate possibilities of improvement in the earnings situation, which is the underlying influence on stock prices, is not favorable. The prospect for improvement depends to a large extent upon the volume of grain harvested in the western provinces in this year. If a large crop were definitely in sight late in the summer, it would help the shares, but the report for 1936-7 is not likely to make very favorable reading for the preference shareholders.

Royalite Oil

I would appreciate if you would give me a report on Royalite Oil Co. Will it benefit from the present activity in the Turner Valley?

Royalite Oil Co. showed earnings in 1935 equivalent to $1.06 on the common shares, and has been paying dividends of $1.25 annually. The company stands to benefit from new crude production in the Turner Valley, but the extent of the possible improvement cannot be measured precisely at present. In connection with earnings, it is important to note that the charges for depreciation and depletion are more than sufficient to counteract the excess of the dividend over stated net profits. Also, the company has a powerful liquid position, which would allow payment of dividends in excess of earnings for some time. The company is the only fully integrated oil concern producing in Alberta and therefore is in a good position to benefit from new developments in Turner Valley.

Canadian Locomotive

I would like a report on Canadian Locomotive Co. What are the prospects for common stock? Is it selling too high at present?

Canadian Locomotive Company made seven locomotives in 1936, and may, therefore, show an operating profit. However, no depreciation has been charged for several years so a substantial write-off on this account is expected to result in another deficit for the year. Consequently, no payment on bond interest is expected and, of course, there is no prospect of any early dividend on the common shares.

Interest on the new 6% bonds is payable only when earned, but is cumulative from Jan. 1, 1934. Consequently, there is 18% arrears of interest accrued ahead of the common shares. This amounts to approximately $190,000. Since no payments are expected in 1937, the arrears of bond interest are likely to amount to more than $250,000 by the end of this year. This indicates that the common shares are a considerable distance from any payment. In 1924, the best year since the war, the company had a net profit available for dividends of approximately $473,000. In other years, however, it showed losses, or smaller profits, after paying bond interest.

The former capitalization of $3.5 millions of preferred and common stock has been boiled down into 40,000 shares of new common. The present market price, therefore, places a comparatively small value on the equity in the company. In view of the growth of arrears of bond interest, however, it would probably be a mistake to look for substantial returns on the common shares. The most favorable feature in the situation is that the Canadian [illegible] Railways has ordered 20 locomotives from the company, which should result in some earnings at least for the bonds this year.

Western Savings

Are certificates of Western Savings and Loan Association sound investments? Has the company been seriously affected by mortgage adjustments in Western Canada?

Western Savings and Loan Association of Winnipeg, shows assets, largely in government bonds and first mortgages on city real estate, more than sufficient to meet cash surrender values on savings certificates. The cash value of certificates grows most rapidly in the latter years of the contract, so the certificate holder who surrenders his investment in the earlier years, may have a loss. In order to make a profit on this long-term savings plan, it is necessary to maintain the deposits throughout the contract period, and, of course, it is necessary for the association to follow a sound investment policy. The latter appears to have been done. As to mortgage debt adjustment, most of the association's mortgages are on city real estate which has not been affected greatly by the recent schemes.

Foothills Oil & Gas

I would like to get a brief analysis of Foothills Oil & Gas Co., in which I am quite heavily interested.

Foothills Oil and Gas Co. owns a producing petroleum and natural gas property in Turner Valley, Alberta. Sales, however, have been declining at an accelerated rate from 43,466 barrels of crude and discolored naphtha in 1930 to 16,782 barrels in 1935, the last year for which production figures are available. In that year a net profit of only $16,057 was realized after all charges. An increase in proportion of revenue is being derived from the processing of tail gas in the Royalite Oil Natural Gasoline plant.

At the end of 1935 investments in, and advances to other companies, were carried at $403,058.

The future of the company and its subsidiary, Southwest Petroleum Company, will depend on whatever policy may be adopted by Imperial Oil with regard to its operations. Imperial Oil controls the company through ownership of the majority of the outstanding stock. In this regard, Foothills Oil and Gas Company is, of course, assured of competent management, but its earnings record to date has not been, in our opinion, particularly impressive.

Agnew-Surpass

Can you give me a report on earnings and book value of Agnew-Surpass common shares?

Agnew-Surpass Shoe Stores showed earnings of 63 cents a share on the common stock in 1936, slightly below the 66 cents a share earned in 1935. The company's earnings do not appear likely to run ahead very rapidly, because shoe manufacturers have had sharply rising costs for leather and indicate they are going to increase the price of shoes. This may tend, temporarily, to retard sales. However, the company is efficiently managed and could show further improvement in earnings. The book value of Agnew-Surpass common is $5.37 a share.

Atlantic Keystone

I have 88 shares of Atlantic Keystone Petroleum Co. What is the outlook for this stock?

The outlook for shareholders of Atlantic Keystone Petroleums Ltd. appears anything but encouraging. The last address on our file for this company was c/o F. L. Buckley, 1030 Hamilton St., Vancouver, B.C. We have tried unsuccessfully for some years to obtain a definite statement as to this company's present status. This statement, however, has not as yet been forthcoming. Assets were reported acquired a few years ago by North American Petroleum Co. but the basis and the present condition of this arrangement is not known. In the meanwhile, lacking a market for their stock, shareholders can do little else but hold on in the hopes that a market may be created at some future time.

Robert Simpson

I would appreciate some information on the financial set-up of Robert Simpson Co. I am especially interested in the preferred stock.

The Robert Simpson Co. is a subsidiary of Simpson's Ltd., all of the common stock being owned by the parent company. The Robert Simpson Co. is the operating company, owning the various subsidiaries operating in eastern and western Canada, departmental stores, mail order and manufacturing business. It has outstanding $1,314,779 of 5% first mortgage bonds, $3,350,000 of 6% preferred stock and $3,350,000 of common stock.

The preferred stock is ranked junior only to the comparatively small issue of Robert Simpson Co. bonds. The stock is not callable. This, in part, explains the present high price of $120 a share.

The Robert Simpson Co. pays rentals to Simpson's Ltd. for various properties and these rentals are a prior charge before the Robert Simpson securities. Even though Simpson's Ltd. has not been paying its full preferred dividends in recent years, the Robert Simpson Co. has always paid in full.

Being the operating company, with a comparatively small capital and a first charge on net operating earnings after rentals, Robert Simpson Co. has shown profits in excess of the preferred dividend throughout the depression. The dividend, in fact, has been earned by a wide margin. The lowest earnings were $14.77 a share on Robert Simpson preferred in 1933, compared with the dividend rate of $6 a share. In 1935, earnings on the preferred were equivalent to $17.15 a share, and increased in 1936.

Calgary & Edmonton

A customer of ours holds one hundred shares Calgary & Edmonton Oil Company stock which is presently quoted at $5.60 per share. Please favor us with an expression of opinion on this stock. We would like to know if you would consider it a good hold.

Calgary & Edmonton Corporation Limited obtained its revenue from leasing the drilling rights on land in the oil and gas bearing sections of Alberta and from royalties on the production of any wells brought in under these drilling options.

A reduction in royalty revenue of $37,577 in the fiscal year ended June 30, 1936, as compared with the previous year was accounted for in part for the gradual decline in rock pressure of wells on the corporation's land. Earnings per share in the year ended June 30, 1936, based on the profit of the income and surplus accounts and the realization account amounted to two cents per share as against three cents per share in the previous year.

Recently Arca Development Company was incorporated under a joint agreement by Imperial Oil, Canadian Western Natural Gas and Calgary and Edmonton Corporation to test a new structure lying between the Highwood River and the town of High River, Alta. This Arca Development is now one of the deepest operations in the British Empire and should either very shortly prove or disprove itself as a crude producer.

Discovery of crude oil in south Turner Valley, which has been substantiated by further discoveries have doubtless an important bearing on the future revenue of this corporation. The company's affairs are managed by outstanding men and the outlook for this corporation at the present time seems quite promising, always bearing in mind that oil companies such as this represent more or less speculative investments.

Massey-Harris

I should like to have your opinion of the prospects of Massey-Harris common stock.

Massey-Harris common stock is junior to the accumulation of arrears of dividends on the preferred. Arrears of preferred dividends now amount to more than 30%, or more than $3.6 millions. Moreover, before any payment can be made on the preferred, the company must redeem $2 millions of bonds.

On the basis of 1936 earnings, which showed considerable improvement, there is no immediate prospect of a payment on the preferred shares. Sooner or later, however, proposals may be drafted to deal with the arrears of preferred dividends. If this were done by issuing additional common shares, it would amount to a dilution of the equity now owned by the common. You can see that the common shares are a considerable distance from earnings, but it must also be remembered that the company could show large revenues if agriculture were to stage a real recovery in the next year or two. Even then, however, the results for the common stock would depend to some extent upon what is done in any reorganization that may develop.

Nordon Oil

Kindly favor us with an expression of your opinion as to the speculation or investment possibilities of Nordon Oil Corp.

From your letter of February 11, we are unable to ascertain whether the "Nordon Oil Corp." referred to by you refers to Nordon Oil Corporation of Texas, Nordon Oil Corporation, Delaware, or Nordon Corporation of Alberta. All these firms are wholly-owned subsidiaries of Nordon Corporation Limited which operates as a petroleum, exploration and holding company. While this company has indicated alertness and efficient management, commercial success has not yet been achieved. The company, through subsidiaries, holds extensive property which varies considerably from time to time. The policy of the company is to have other companies drill on the holdings and to retain interest, usually on a royalty basis.

Deficit for 1935 amounted to $60,215 as compared with $181,039 the previous year, bringing the total deficit carried forward to $1,561,180. The recent successful developments of several crude producers in the Turner Valley field, do, indirectly improve the outlook for this company. The company is in good hands and, provided that finances hold out, is probably a speculation, but little more at present.

Brazilian Traction

As I am thinking of investing in the common stock of Brazilian Traction, I would appreciate if you would give me a complete report on this company.

Future prospects of Brazilian Traction are largely dependent on whether economic recovery relieves the Brazilian exchange situation further. Earnings have been improving, but the company has been hampered by exchange restrictions. Its liquid position is strong, working capital amounting to about $24 millions. The equity behind each common share at the end of 1935 amounted to over $31 a share, common amounted to over $31 a share. For 1936 the company paid 70 cents a share in dividends and further cash payments are anticipated.

During 1936, gross earnings of the company showed an increase of $2 millions or 6.5%, and net earnings an increase of $1.6 million or 10%. Expectations are that there will be a further increase in earnings in 1937. Assuming that miscellaneous income and fixed charges are the same as in 1935, then net profit in 1936 should be equivalent to about 95 cents a share.

No doubt you are aware that the main problem of the company during the depression has been to get money out of Brazil, because of the shortage of foreign credits available in that country. This has prevented the company from transferring its money to Canada and London for dividend payments. Recently there has been some improvement in this situation and it is believed that in the long run, increased exports from Brazil will relieve the exchange situation.

Mercury Oils

I am at the date hereof the owner of approximately 6,000 shares of Mercury Oil Limited which were purchased some years ago at 20c. a share. I notice that this stock has been rising in the market.

Kindly forward to me any information which you may have in regard to the financial position and the holdings of this company.

Mercury Oils Limited owns 1,725 acres in Alberta, 820 acres of which are in Turner Valley where three wells are producing. The company owns one-third interest in Mercury No. 2 and the three producing wells. It also owns 105,478 shares of Mill City Petroleum, 74,500 shares of Miracle Oils, 60,520 shares of Rialto Oils, and a 28% interest in a gas and oil product which operates an absorption plant in Turner Valley.

The 1936 earnings position will not be known until the company's annual report appears probably some time early in April. In the fiscal year ended Dec. 31, 1935, the company's earnings were nil, operations having resulted in a net deficit. The company has paid dividends intermittently, the last one, amounting to three cents per share having been paid April 1, 1936.

Much of the company's future depends, of course, on results at Turner Valley, where the company has potentially important holdings and interest. It should, however, in our opinion, be classified with the more speculative stock.

Northwestern Utilities

I should like to have your opinion of Northwestern Utilities' bonds. What are they selling for at present?

Northwestern Utilities' 7% bonds due 1949 are currently quoted at 91 bid.

Under present interest conditions it is unusual to see a 7% bond selling below 100, especially when interest on these bonds has been earned after depreciation, throughout the depression. In 1935, bond interest was earned 2.39 times before depreciation and 1.42 times after depreciation. This compares with 1.74 times before depreciation and 1.09 times after depreciation in 1934. The fact that the bonds are selling at a discount is attributed to the fact that there is a deficiency in working capital, and also to the government situation in Alberta. Because of radical legislation there is considerable uncertainty as regards investments in Alberta. If the Alberta situation became more settled and the company's revenue increased, there would apparently be some possibility of redemption of the bonds at 105 for refinancing. For the present, however, this does not appear likely. The company has reported a deficiency in working capital in each of the past six years.

The company is controlled by Edmonton Utilities which is, in turn, controlled by the Dominion Gas & Electric Co. The company supplies natural gas to the City of Edmonton and a number of adjacent communities. Sales of gas, and the company's revenue are increasing.

Commonwealth Pete

Would you be kind enough to furnish me with whatever information you can, including the number of shares outstanding and their market high and low in 1929, of Commonwealth Petroleum?

Commonwealth Petroleum Ltd. was formed to develop petroleum and natural gas properties in western Canada. A total of 10 wells drilled have given no commercial production with the exception of a Turner Valley well, which has been sold to Royalite Oil Co. for 6,000 shares. Drilling is now planned on 80 acres in the Turner Valley near Turner Valley Royalties well by a new company in which Commonwealth will hold an interest. Turner Valley Royalties was, as you may recall, the pioneer crude producer in the southwest area.

Commonwealth Petroleum has an authorized capitalization of two million shares, no par value, of which 1,175,582 were outstanding as at Jan. 31, 1936. In 1929 the high mark for the stock was $1.55 and the low was 40 cents.

Int. Petroleum

I should like your comments on International Petroleum common stock.

International Petroleum Co. earned $1.65 a share last year and is paying dividends of $2.50 a share. The company can continue to do this for some years, because of its enormous reserves. However, there is a possibility that the company's earnings will rise sufficiently to cover the full dividend, and the recent increases in crude oil prices constitute an important step in this direction.

Pooled Vendor Stock

I often see references to "pooled vendor stock." Would you mind explaining to an out and out layman, the meaning of this phrase?

By the phrase "pooled vendor stock" is meant the shares in the company which have been issued to the person, persons or group who sold the property to the company. In order that this stock should not be free to depress the market just as the company is seeking to finance developments, it is generally thought advisable to "pool" or in other words to prohibit the holders of this stock to sell it or otherwise dispose of it. This move is made purely in the interests of the developing company.

Transport Board Opposed in Prince Edward Island

Charlottetown Board of Trade, Prince Edward Island, is opposed to the plan of putting all forms of Canadian transport under a Federal Board of Transport Commissioners. Prince Edward Island must dispose of the great bulk of its production in distant consuming centres and must move practically all manufactured products consumed long distances in the reverse direction. The Board of Trade of this city claims that there have been no benefits from the regulations imposed by the Board of Railway Commissioners and is apparently not particularly hopeful of any benefit from a Board of Commissioners that would include all forms of transport.

The Prince Edward Island Provincial Government is asked by Charlottetown Board of Trade to "take no action of any kind other than that for the preservation of safety that might tend in any way to the restraint or restriction of competition."

HAMBLY, PEAKER & TRENT
Members
THE TORONTO STOCK EXCHANGE
613 DOMINION BANK BUILDING
TORONTO
Telephone ELgin 3294
1-37

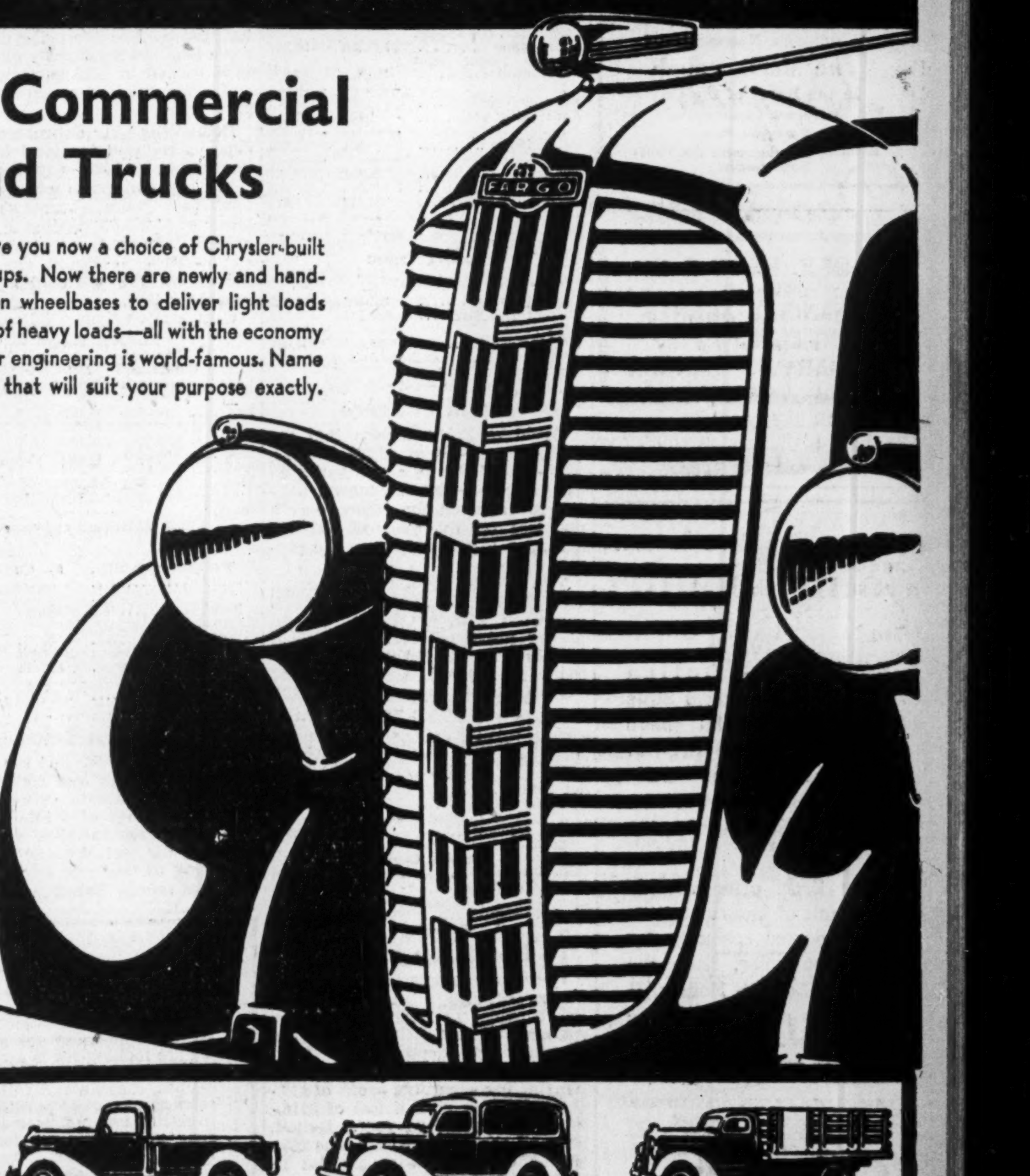
CANADIAN SECURITIES
Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

HUDSON BAY
MINING AND SMELTING
Second in zinc, third in copper, this Company has attained important place among Canadian producers of base metals.
Analysis on request
Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE
76

Support Your Credit Manager
WITH ADEQUATE TOOLS
As no single factor in your business dissipates profits as rapidly as bad debts.
Dun & Bradstreet of Canada, Limited

THE
ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

FARGO
New 1937 Commercial Cars and Trucks
TWO added lines of Fargos give you now a choice of Chrysler-built motor trucks in five great groups. Now there are newly and handsomely designed Fargos in eleven wheelbases to deliver light loads quickly and to haul a wide variety of heavy loads—all with the economy and long service for which Chrysler engineering is world-famous. Name your job! There's a Fargo Truck that will suit your purpose exactly.
FARGO FEATURES
New, handsome, modern styling that attracts business to the owner.
New, even more ideally balanced distribution of load and weight.
New, easier manoeuverability without sacrifice to pay-load space.
New comfort and safety for the driver.
New, exceptionally rigid frames with new bracing front and rear.
New, more powerful and economical engine for heavy-duty models.
New, longer Amola steel springs to protect loads, truck and driver.
New, heavy-gauge fenders separated from the running boards of heavy-duty models.
New refinements in the proven, safe, equal-pressure hydraulic brakes.
New, permanently lubricated throw-out ball bearings in the large clutches.
New long-service engineered into engine, chassis, cab and body.
Before you buy any Commercial Car or Truck be sure you see Fargo. Study the EXTRA VALUE Chrysler Engineers give you. See your nearest Chrysler-Plymouth Dealer.



BUILT BY CHRYSLER

Notwithstanding

that experience has proven failure to make a Will one of the greatest mistakes a property owner can make many neglect this duty. If you have no Will there is a possibility of trouble and loss for your heirs which you can prevent by taking proper precaution now. Consult your lawyer and our Estates Department. He will draw your Will—we will act as Executor and Trustee.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

To The Travelling Public:

HOTEL LONDON

London, Ontario

As from January 15th the rates for rooms will be as follows:
Single room without bath, $2.50; running water and toilet.
Single room with shower, $2.75.
Single room with bath, $3.00.
Single room with tub and shower combination, $3.50.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $4.50.
Double room with tub and shower combination, $5.00.
Twin bedrooms with tub and shower combination, $5.50.

Soliciting your appreciated patronage,
H. F. STRUCKETT,
Manager.

You'll relish the food and the friendly service at

CHALFONTE HADDON HALL

AT THESE genial beachfront hotels you'll never weary of the meals. A varied menu. Good food. Bright, spacious dining-rooms. Prompt, agreeable service. Moderate rates.

Leeds and Lippincott Company
ATLANTIC CITY

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping with the Times
220 Rooms

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Going South?

Sport Coats — Outing Trousers — Tropical Suits —White or Pastel shade Tuxedos — These are all essential for the well-dressed man who contemplates holidaying in the South.

Levy Bros. offer a wide selection of smart materials imported specially for Southern wear, from the leading London Houses. It will be a pleasure to have you drop in and examine them at your leisure.

Levy Bros.
69 West King St., Toronto

Company Reports

Montreal Loan

Montreal Loan and Mortgage Co., Montreal, showed little change in 1936 earnings which equalled $2.08 per share on the $25 par value stock against $2.17 in 1935. Dividends of $2 were paid against $2.37½ paid during the preceding fiscal period.

Declines in both debentures and deposits, bringing the total of these items to $433,717 against $502,451 in 1935, were accompanied by a slight decrease in assets from $1,953,361 in 1935 to $1,886,579, due entirely to a reduction in mortgages. Liquid assets and net assets other than mortgages were higher at the close of the 1936 period.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate† Earned per sh. $
1931	1,500,000	88,109	3+.25	3.67
1932	1,500,000	79,641	3+.25	3.32
1933	1,500,000	73,324	3+.25	3.06
1934	1,500,000	63,346	2.62½	2.64
1935	1,450,000	52,192	2.37½	2.17
1936	1,450,000	49,952	2	2.08

†Par value of stock $25.

Public Liabilities and Assets

	1936 $	1935 $
Debentures	292,276	346,347
Deposits	141,441	156,104
Total	433,717	502,451
Secured by:		
Liquid assets	53,116	7,856
Mortgages and int.	1,518,912	1,754,812
Other net assets	314,551	190,693
Total	1,886,579	1,953,361

National Biscuit Co.

National Biscuit Co. and subsidiaries report earnings for 1936 equivalent to $1.73 a share for the common stock compared with $1.31 a share for 1935. The common dividends of $1.60 a share were thus covered by a small margin, leaving a surplus of $861,659 for 1936 compared with a deficit of $2.4 millions after dividends in 1935.

In comparing results, it should be noted that in 1935 $721,451 of strike expenses were charged to reserves rather than against earnings. For 1936, it is stated that provision has not been made for U. S. Federal surtax on undistributed profits.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Oper. earnings	18,058,803	14,072,626
Interest rec., etc.	219,746	402,253
Less: Depreciation	2,704,163	2,742,226
Tax res.	2,934,309	1,746,633
Net profit	12,640,077	9,986,020
Less: pfd. dividends	1,735,699	1,735,699
Com. dividends	10,042,719	‡10,670,741
Surplus for year	861,659	*2,420,420
Add: Prev. surplus	12,132,119	14,042,793
Reval. of sec.	34,637	509,746
Earned surplus	13,028,415	12,132,119

*Deficit.

Working Capital

	1936	1935
Current assets	38,241,001	35,872,150
Current liabilities	5,920,650	7,306,836
Working capital	32,320,351	28,565,314

Detroit Bridge

Reflecting a general upward trend in all lines of its business in 1936, Detroit International Bridge Co. reports an increase of 22.14% in gross revenue over 1935, and an increase of 30.56% over 1934.

Vehicular traffic increased 21.62% over that reported for 1935.

An appeal on the company's tax assessment is currently before the Federal Circuit Court. If decision is favorable then a more equitable relationship between taxes and gross earnings may be brought about. Tax levies of $193,331 in 1936 were equivalent to 63.6% of gross earnings.

Current liabilities are in excess of current assets by $186,645. Current liabilities consist almost entirely of unpaid taxes.

No provision has been made in the balance sheet for unpaid bond interest which amounts to approximately $8.2 millions.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross inc. from tolls	302,281	247,380
Less: Oper. & adminis. expense	109,785	98,848
Taxes (other than federal)	193,331	183,505
Net operating inc.	†835	†34,973
Add: Other inc.	1,486	1,319
Net income▴	651	†33,654
Net loss•	338,951	373,107
Add: prev. deficit	3,220,725	2,845,748
Less: Adjustments	4,276	1,870
Deficit carried fwd.	3,555,400	3,220,725

† Deficit or loss.

Working Capital

	1936 $	1935 $
Current assets	483,296	376,010
Current liabilities	669,941	570,210
Working capital	*186,645	*194,200

* Excess of current liabilities over current assets.

David et Frère

David et Frère reports that the operating deficit of $3,278 in 1935, was converted into a profit of $18,656 in 1936. After writing off $18,893 for depreciation, there was a net loss on the year of $237 as against a loss of $35,026 in the previous year.

The balance sheet as at Dec. 31, 1936, shows inventories at $61,971, compared with $39,906 at the end of the previous year. Bank loan increased during the year from $8,000 to $30,108.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Operating profit	18,656	*3,278
Depreciation	18,893	31,748
Net deficit	237	35,026
Previous deficit	9,979	25,047
Deficit forward	10,216	9,979

*Loss.

Working Capital

	1936	1935
Current assets	199,974	176,064
Current liabilities	72,553	60,373
Working capital	127,419	115,690

Dominion Stores

While operations of Dominion Stores recorded a very substantial improvement in 1936, the company again reports a deficit after making provision for depreciation. With sales up 8.7% over 1935, the company had an operating profit of $73,511, compared with a loss of $416,246 in the previous year. Deficit, after all charges, however, was $65,581 as compared with $610,342 in 1935.

Working capital shows slight improvement, amounting to $2,082,480.

Inventories at $2,281,075 are $477,044 higher than at the end of 1935. This is accounted for by the fact that drought conditions in Ontario made it necessary for the company to take earlier deliveries of certain canned goods. Also, the company increased its purchases moderately because of rising prices.

Fixed assets, after depreciation, are shown at $1,043,699, a decrease of $93,011 from 1935. Store and head office fixtures are carried at a depreciated value of $626,700, or 42% of cost. W. F. Stewart, general manager, reports that during the past two years all of the company's equipment has been put in first class condition and the cost of all repairs has been charged to operating expense.

Income and Surplus Account
Years Ended

	Dec. 26 1936 $	Dec. 28 1935 $
Gross sales	19,434,840	17,875,503
Less: Operating cost	19,336,164	18,274,426
Executive salaries	47,283	46,853
Legal fees	653	5,741
Directors' fees	1,000	1,260
Net earns. from opers.	49,740	†454,777
Add: Int. on invests.	23,771	38,531
Total net earnings	73,511	†416,246
Less: Prov. for inc. taxes	1,226	1,814
Depreciation	137,866	192,282
Net profit	†65,581	†610,342
Add: Previous surplus	117,444	749,510
Less: Inc. tax prior yr.	......	81
Res. against employ. co-op. invest. plan	......	21,643
Bal. car. forward	51,863	117,444

† Deficit or loss.

Working Capital

	1936 $	1935 $
Current assets	2,946,247	2,994,184
Current liabilities	863,767	950,288
Working capital	2,082,480	2,043,896

Sussex Ginger Ale

Sussex Ginger Ale reports a net profit for 1936 after depreciation, doubtful accounts and Dominion income tax, of $13,233. This compares with a net profit of $15,168 in 1935.

The balance sheet shows net current assets as at Dec. 31, 1936, of $112,640, compared with $94,317 at the end of 1935.

At the annual meeting of the company James MacMurray, Saint John, was elected president to succeed C. George Armstrong, Chelmsford, Mass. James D. McKenna was appointed vice-president succeeding Mr. MacMurray. Other members of the board include W. I. MacDougall, Halifax; J. H. McFadzen, Sussex; and J. A. Ferguson, Sussex.

United Amusement

United Amusement Corp. reports a total income in 1936 of $338,466, compared with $309,092 in the preceding year. Balance available on the capital stock, after taking care of senior charges, amounted to $1.09 a share, as against 78 cents a share in 1935.

The most important changes in the 1936 balance sheet are a reduction of $500,000 in the goodwill account and $102,800 in the franchise account, the charge being made to surplus.

Last December a new theatre, in which the company owns a 50% interest, was opened in St. Lambert, Que. The company will also open its new Snowden Theatre, Montreal, toward the end of February. Including these units, the company owns or is affiliated with a total of 23 motion picture houses.

Income and Surplus Account
Year Ended Dec. 31

	1936 $	1935 $
Operating profits	189,747	174,209
Property revenue	85,261	75,048
Other income	63,131	56,391
Profit on bonds retired	327	3,444
Total revenue	338,466	309,092
General expense	84,199	81,293
Depreciation	78,013	75,932
Interest	68,132	71,972
Underwriting exp.	6,968	7,800
Net profit	101,134	72,095
Income taxes	17,960	13,553
Dividends	52,642	37,183
Surplus for year	30,512	21,359
Previous surplus	812,225	790,866
Written off goodwill	500,000	......
Written off franchise	102,800	......
Surplus forward	239,937	812,225

Working Capital

	1936	1935
Current assets	266,540	193,163
Current liabilities	60,182	50,902
Net working capital	206,358	142,261

Mortgage Corp. of N.S.

Earnings of $8.17 a share reported for 1936 by The Mortgage Corp. of Nova Scotia were slightly under the $8.56 earned in 1935 but they were ample for dividend requirements of $7 a share.

Reductions in debentures and deposits reduced the total of these items from $677,883 in 1935 to $620,061 in 1936 and assets securing these liabilities were correspondingly lower at $1,962,570 against $2,019,911 in 1935. Reductions in mortgages and an increase in liquid assets are shown by the company's annual report for 1936.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	992,000	67,050	7	9.86
1932	1,010,000	64,214	7	9.44
1933	1,020,000	69,506	7	10.22
1934	1,020,000	65,812	7	9.67
1935	1,020,000	58,247	7	8.56
1936	1,020,000	55,579	7	8.17

*After cost of management, interest and taxes.

Public Liabilities and Assets

	1936 $	1935 $
Debentures and int.	555,403	608,042
Deposits	64,658	69,841
Total	620,061	677,883
Secured by:		
Liquid assets	139,317	109,166
Mortgages & int.	1,459,344	1,549,101
Other net assets	363,909	361,644
Total	1,962,570	2,019,911

Western Trust

Debt adjustment in the three Prairie Provinces and confiscatory measures in Alberta seriously decreased earnings of Western Trust Co., Winnipeg, in 1936, and also added to the cost of doing business, according to the company's annual financial report. Earnings per share were six cents against 10 cents a share in 1935. No dividend was paid.

Funds for investment decreased from $715,426 in 1935 to $652,839 in 1936 and these were secured by assets of $2,094,878 compared with $2,156,789 in 1935. Quickly realizable assets were higher and real estate was slightly decreased. Estates account was higher at $2,646,615.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,405,000	45,317	5	4.50
1932	1,405,000	†5,198	2.50	0.51
1933	1,395,250	‡1,535	..	0.15
1934	1,395,250	542	..	0.05
1935	1,395,250	1,059	1	0.10
1936	1,395,250	676	..	0.06

*After provision for income tax.
†Before deducting balance of income tax to Jan. 1, 1932, $1,556. ‡Before additional income tax applicable to prior years, $1,113.

Public Liabilities and Assets

	1936 $	1935 $
Funds for inv't	652,839	715,426
Secured by:		
Int. due on invests.	......	8,184
Mortgages & int.	652,839	707,242
Net cap. acct. assets	1,442,039	1,441,363
Total	2,094,878	2,156,789
Estates, etc.	2,646,615	2,388,300

Guelph and Ontario

Guelph and Ontario Investment and Savings Society, Guelph, Ont., earned its 1936 dividend of $3 on the $50 par value shares by a substantial margin, with earnings equal to $3.78 a share against $3.59 in 1935. The dividend was the same as that paid in each year since 1933. Net profits of $73,102 were the highest since 1933.

Increases in debentures and deposits, bringing the total for these items to $3,570,288 against $3,544,591 in 1935, were secured by a rise in assets from $5,066,973 to $5,082,866. Mortgages were increased slightly at $3,778,402 but liquid assets were lower at $804,043. Other net assets rose from $456,290 to $500,421.

The company issues debentures for three, four and five years at interest of 3½% per annum and on debentures for one and two years pays 3%. All interest is payable half yearly.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931	1,834,515	100,213	4	5.20
1932	1,834,515	100,389	3.75	5.20
1933	1,484,515	72,799	3	3.77
1934	1,484,515	72,084	3	3.73
1935	1,484,515	69,309	3	3.59
1936	1,484,515	73,102	3	3.78

*Less taxes. †Par value of stock $50.

Public Liabilities and Assets
Creditors' Position

	1936 $	1935 $
Debentures	2,524,110	2,578,008
Deposits	1,046,178	966,583
Total	3,570,288	3,544,591
Secured by:		
Liquid assets	804,043	848,373
Mortgage & int.	3,778,402	3,762,310
Other net assets	500,421	456,290
Total	5,082,866	5,066,973

London and Western Trusts

Increased earnings of London and Western Trusts Co. Ltd., London, Ont., equalled $3.99 a share on paid-up capital in 1936 compared with $2.93 a share in the preceding year but no dividend was paid in either year. The last dividend was $6.50 paid in 1932.

Funds for investment rose from $2,229,954 in 1935 to $2,313,824 at the close of 1936, secured by assets of $4,419,384 compared with $4,286,996 in 1935, and there was an increase in estates account from $36.5 millions to $37.4 millions.

The company does not sell debentures but the rate on its guaranteed trust certificates is currently 3½% per annum for one or two years and 3¾% per annum for three, four or five years.

Revenues from western assets of the company were adversely affected by drought conditions in areas where the company does business but these were more than offset by improvement in collections from Ontario mortgages.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1932	1,614,240	44,143	6½	3.64
1933	1,614,240	14,332	..	‡1.18
1934	1,614,240	16,604	..	‡1.37
1935	1,614,240	35,557	..	‡2.93
1936	1,614,240	48,519	..	‡3.99

†On average capital. ‡On paid-up capital.
*After deducting expenses of management, taxes, written off premises, etc. Also income tax reserve amounting to $3,500 in 1936; $4,500 in 1935; $6,375 in 1934; $4,600 in 1933; $9,500 in 1932; $13,200 in 1931.

Public Liabilities and Assets

	1936 $	1935 $
Investment funds	2,313,824	2,229,954
Secured by:		
Liquid assets	590,738	536,446
Mtges., agree., etc.	1,723,086	1,693,508
Net cap. ac. assets	2,105,560	2,057,042
Total	4,419,384	4,286,996
Estates, etc.	37,478,511	36,553,620

Guelph Trust

Earnings equal to $5.13 a share on the $50 par value stock of Guelph Trust Co., Guelph, Ont., in 1936 represent an increase over the $4.72 earned in 1935 and were ample for dividend requirements of $2.50 a share. The dividend rate has remained unchanged since 1931 or earlier.

Trust funds remained practically unchanged in 1936 at $525,523 and there was little change in assets of $1,024,395. Estates account increased substantially, however, to $3,744,267 compared with $2,536,834 in 1935.

The company issues guaranteed investment certificates for three, four and five years at 3½% per annum and certificates for one and two years at 3%, all interest being paid half-yearly. The company does not accept deposits.

Growth of the company's business is indicated by the fact that assets of estates, trusts and agencies under administration at Dec. 31, 1926, totalled $453,939 compared with $3,744,267, 10 years later on Dec. 31, 1936. Other items of the statement also show substantial increases.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1932	451,850	31,496	2.50	5.23
1933	461,850	29,830	2.50	4.95
1934	461,850	30,813	2.50	5.10
1935	461,850	28,406	2.50	4.72
1936	461,850	30,926	2.50	5.13

*Less taxes. †Par value of stock $50.

Public Liabilities and Assets

	1936 $	1935 $
Trust funds	525,523	526,505
Secured by:		
Liquid assets	37,270	22,881
Mortgages & int.	488,254	503,624
Net capital ac. assets	498,871	492,996
Total	1,024,395	1,019,501
Estates, etc.	3,744,267	2,536,834

Sterling Trusts

Sterling Trusts Corp., Toronto, earned $2.85 a share on average capital during 1936 and paid a dividend of $1, compared with $2.57 in 1935 when no dividend payment was made.

Investment certificates and deposits were higher at $1,663,220 against $1,479,446 in 1935 and assets showed a corresponding gain at $2,503,644 compared with $2,305,221 at the close of 1935. Estates exceeded $10 millions.

Sterling Trusts Corp. pays 3% on one-year investments; 3¼% on two-year investments; 3½% for three and four years and 3¾% for five-year investments. During 1936 there was a marked increase in mortgage account which rose from $1,116,478 to $1,412,912 and net capital account assets were slightly higher at $840,423. Liquid assets were reduced to $250,309.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931	929,499	40,811	6	5.17
1932	929,944	32,981	4	4.17
1933	937,890	16,383	2	2.07
1934	924,898	8,745	..	1.10
1935	815,085	20,308	..	2.57
1936	815,085	22,550	1	2.85

†On average capital. *Less taxes.

Public Liabilities and Assets

	1936 $	1935 $
Invest. certificates	1,337,215	1,148,010
Deposits	326,005	331,436
Total	1,663,220	1,479,446
Secured by assets:		
Liquid assets	250,309	362,968
Mortgages & int.	1,412,912	1,116,478
Net cap. acc. assets	840,423	825,775
Total	2,503,644	2,305,221
Estates, etc.	10,009,401	10,682,450

Maritime Trust

Earnings for 1936 of $3.04 a share on subscribed capital of Maritime Trust Co., Saint John, N.B., half of which is paid up, marked a new high point for the company since 1931. Earnings compared with $2.75 in 1935 and were sufficient to permit payment of a 1936 dividend of $2 a share compared with $1.50 in the previous year.

Capital account net assets of $175,596 were somewhat less than the $186,189 reported for 1935 but a sharp increase took place in estates account at $3,935,151 compared with $2,689,562 in 1935.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital $	†Net Profits $	Div. Rate* $	Rate Earned* $
1931	135,100	4,709	..	1.74
1932	135,100	5,570	..	2.06
1933	135,100	5,963	..	2.19
1934	135,100	6,462	1.50	2.38
1935	136,100	7,487	1.50	2.75
1936	136,100	8,294	2.00	3.04

*On subscribed capital, half of which is paid up.
†After income tax reserve.

Capital Account Net Assets

	1936 $	1935 $
Liquid assets	172,443	171,470
Other assets*	3,153	14,719
Total	175,596	186,189
Estates, trusts, etc.	3,935,151	2,689,562

*Shareholders' subscriptions uncalled, $136,100 not included.

Cosmos Imperial Mills

Cosmos Imperial Mills, Hamilton textile firm, reports a small improvement in earnings in 1936 over 1935. Redemption of the former 7% preferred stock by issue of 5,000 new 5% shares and an additional 30,000 common shares is reflected in a decrease of working capital and a charge of $78,008 for refinancing costs.

Excluding from expenses the charge for refinancing and the initial contribution of $20,000 for pension fund, earnings for 1936 were equivalent to $1.54 a share on the 100,000 common shares outstanding at the end of 1936. If the refinancing and pension charges are deducted from the year's income, earnings were equivalent to only 71 cents per common share.

Putting preferred dividends at the present level of $25,000 a year, and excluding the pension fund and refinancing costs from the income account, earnings were equivalent to $1.68 a share in 1936. This compares with a calculation of $1.65 a share on the same basis for 1935. These charges reduced surplus by $29,254.

Institution of the new pension plan, with death benefits, supersedes a former plan of group life insurance.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross earnings	368,813	358,872
Less: Depreciation	95,062	93,490
Directors fees	1,963	1,920
Directors spec. salary	5,430	5,430
Exec. legal remun.	34,174	34,208
Bond interest	......	17,367
Operating profit	232,184	206,457
Add: Other income	6,625	22,889
Net earnings	238,809	229,346
Less: Prov. for taxes	45,000	38,850
Net profit	193,809	190,496
Less: Pref. divds.	39,472	87,807
Common divds.	85,583	36,750
Surplus for year	68,754	65,939
Add: Prev. surplus	511,483	445,544
Less: Pension fund	20,000	......
Refinancing cost	78,008	......
Surplus forward	482,229	511,483

Working Capital

	1936	1935
Current assets	949,726	1,172,538
Current liabilities	69,128	50,205
Working capital	880,598	1,122,333

Pulpwood Demand

KENTVILLE, N.S.—An increasing interest in the Nova Scotia pulpwood market is evidenced in the recent visit of buyers from two European firms in search of supplies approximating 150,000 cords. A more active interest is also being shown by United States firms.

EXECUTIVE WANTED

A large and well-established Canadian Company has an interesting opportunity for a responsible sales executive. The man we are looking for is around 40 and probably at present engaged but prepared for advancement. He is definitely of executive calibre, capable and fully qualified to quickly fill a responsible sales management position. He can show a successful record both in selling and management, preferably, but not essentially, in the field of building supplies and construction materials. An engineering training will be advantageous. The position will be in Canada and a knowledge of the entire market is required. The position will carry a salary in the higher brackets to start but the man selected should be capable of increasing this substantially. Replies will be treated in strictest confidence and no references will be approached without permission. Please give full details in writing, but do not reply unless fully qualified. Our staff know of this advertisement.

Address letters in the first place to

Box 22, The Financial Post,
Toronto, Can.

We invite your Enquiry regarding Mining or Industrial Securities

Bowcock, Hackett & Morgan
Members The Toronto Stock Exchange
Telephone: Adelaide 0525
320 Bay Street - Toronto

GENERAL TRUST OF CANADA
112 St. James Street
MONTREAL

STATEMENT AS AT DECEMBER 31, 1936

ASSETS

Capital Account:	
Total assets of the company	$ 1,362,101.43
Estate, trust and agency accounts	46,588,526.05
Guaranteed Accounts	3,678,530.00
	$51,629,157.48

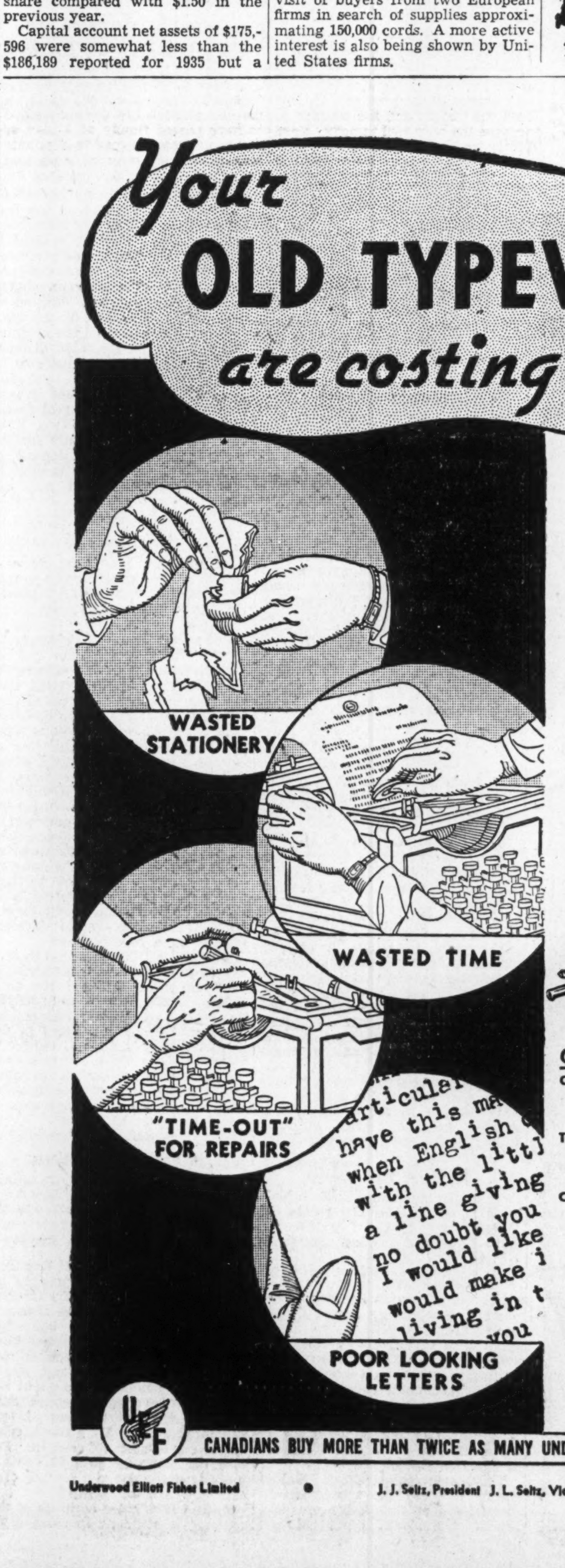
LIABILITIES

Capital Account:	
Sundries	$ 20,184.45
Reserve	51,311.15
Profit and Loss Account	185,605.83
Capital Stock	1,105,000.00
	1,362,101.43
Estate, trust and agency accounts	46,588,526.05
Guaranteed Accounts	3,678,530.00
	$51,629,157.48

21st SWISS INDUSTRIES FAIR BASLE
3rd to 13th APRIL 1937

For information, please apply to
SWISS CONSULATE GENERAL
1440 St. Catherine Street West,
Montreal - Plateau 1878
and Swiss Consulates at
Toronto, Winnipeg, Vancouver.

Your **OLD TYPEWRITERS** *are costing you plenty!*

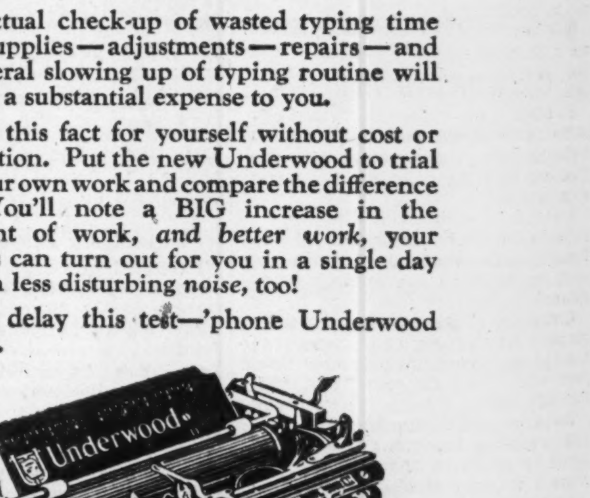


The new Champion Underwood, introducing many *exclusive* time-and-money saving features, makes your old typewriters obsolete—and costly to maintain!

An actual check-up of wasted typing time and supplies—adjustments—repairs—and a general slowing up of typing routine will reveal a substantial expense to you.

Prove this fact for yourself without cost or obligation. Put the new Underwood to trial on your own work and compare the difference . . . You'll note a BIG increase in the amount of work, *and better work*, your typists can turn out for you in a single day—with less disturbing *noise*, too!

Don't delay this test—'phone Underwood NOW.



Only UNDERWOOD offers:
CUSHIONED TYPING . . . Increases typist's efficiency by reducing noise, vibration and fatigue to a minimum.
TOUCH TUNING . . . Allows the tension of each key to be adjusted to each finger, resulting in *uniform* type impressions.
CHAMPION KEYBOARD . . . New type smooth-rimmed and concaved key-tops increase fingering ease and *speed*.

THE NEW * CHAMPION
Underwood
STANDARD TYPEWRITER

* Named "Champion" because Underwood has won 26 World's Professional Speed Typing Championships (including the 1936 title) in 27 years of competition.

CANADIANS BUY MORE THAN TWICE AS MANY UNDERWOOD TYPEWRITERS AS ALL OTHER MAKES COMBINED

Underwood Elliott Fisher Limited • J. J. Seitz, President J. L. Seitz, Vice President • Toronto. Branches in all Canadian Cities

Maritime Road Builders

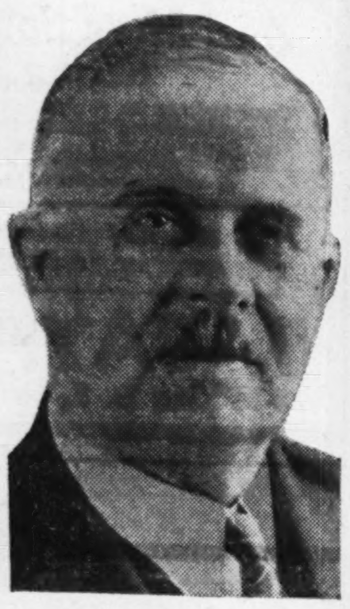
Nova Scotia Highway Programme Said to Have Paid Its Way Through Increasing Revenues

By W. McL. ROBERTSON

The summer tourist whose car bears an Ontario, a New York or Massachusetts license plate, and who, four years ago, was making a wry face as he drove over Nova Scotia, has now a very different story to tell. Well-graded, paved highways have within three years taken the place of the twisting, dust-afflicted gravel roads which tried the patience of the visitor, and humiliated the native returning on vacation.

Eighteen years ago the problem of highways was first faced on a really large scale for the Province of Nova Scotia. Those who then faced it cannot be accused of cheese-paring. They spent right and left, in a bursting zeal for good roads.

Between 1919 and 1933 a capital expenditure of no less than $33 millions had been made—not to speak of substantial sums for maintenance. This costly experiment, however, marked the first provincial government activity in the field of highways, replacing the earlier practice of depending on that very variable factor, the inclination and resources of the municipalities.



HON. A. S. MacMILLAN
Nova Scotia Minister of Highways.

Financial Problem

The programme was reasonably well carried out, so that within a few years the highways of the province showed a marked improvement. A response to this effort was seen in the rapid increase of motor travel, and this in turn meant increase of cost for road maintenance. In the intervening years both these results, gratifying and embarrassing, developed fast. The record shows, for example, that the trunk roads which in 1923 were kept in what was then thought adequate repair for an outlay of $105,290 for maintenance, required, in 1933 an outlay of $815,170. Such rise in expenditure was proceeding without any apparent limit. Although the maintenance outlay on secondary roads was kept down to the minimum, the financial situation became more and more critical. For instance, a road so largely travelled as the one from Bedford to Truro was costing from $1,200 to $1,500 per mile per year for maintenance, and it had become constantly needful to take from some other part of the provincial revenue what would meet the deficit in the Roads Fund. Moreover, the highways, despite a cost far higher than should have been necessary, remained anything but good. Tourists seemed likely to be repelled rather than attracted. Warning notes appeared in automobile guide books.

By 1933 this situation came to a crisis. It was then plain that road maintenance had been managed on a thoroughly uneconomical principle, giving even for enormous outlay no more each year than a seven-months result, and that the only change with real promise would be a change in fundamental method. The project of hard-surfacing all the trunk highways was definitely launched, amid much cynical conjecturing that it would soon come to an end for want of cash.

Paying Its Way

To eliminate this possibility, gasoline tax legislation was introduced. From this the Government receives $750,000 additional revenue, while at the same time the retail price to the consumer plus the tax is lower than before the levy was imposed.

The Nova Scotia Government today boasts that the whole cost of maintenance and interest on capital expenditures is being met by highway revenues. The highway tax on municipalities, it points out, has not been increased.

In 1934, the first year of the new policy, effort was concentrated on hard-surfacing experiment. Much depended on the proper preparation of the road bed. It was considered adequate, and indeed necessary, to limit actual paving for that year to 25 miles, together with the grading of 175 miles as preparatory to next year's programme. The 25 miles were paved in different sections, with different types of hard surface, and by the end of 1934 the experiments had issued in choice of a definite type of surface as most suitable. The type of paving chosen costs from $6,000 to $8,000 per mile.

Tourist Travel

Money was borrowed at 3%. In 1936 the motor tourist travel in Nova Scotia had increased by 35% beyond that of 1935. At the close of the year just ended 670 miles of preparatory work have been done, and 365 miles of paving are complete. It is expected that the end of 1937 will see the finishing of another 300 miles of pavement.

The province is now entering on the second stage of its programme. Trunk highways are most conspicuous and important to the motoring visitor, and to the inter-county traveller, but the secondary roads are vital to permanent residents, and not more than 10% of the roads in Nova Scotia are trunk highways. 13,000 miles of route by which ordinary travel proceeds should not be sacrificed to beautify and smooth 1,600 miles.

This has not been done. Actually $50,000 less was spent for that purpose in 1933 than had been spent in the preceding 10 years. In 1935, for the first time in seven years, Nova Scotians saw the proportion of expenditure as between trunk roads and secondary roads for maintenance, reversed. In 1936, an "all time high record" for secondary road maintenance of $975,000 was appropriated, and as it is to steadily increase, the resident or visitor will find the same degree of improvement in the by-ways, as is experienced on the trunk roads.

Nova Scotia's highway programme has resulted in an increase of $1 million a year in highway revenue, with reduced burdens on the taxpayer. Maintenance cost on trunk highways have been reduced annually by $350,000 and this sum made available for additional maintenance of secondary roads.

The Road Maker

When Premier Murray and his colleagues assumed charge of the whole road system of Nova Scotia, relieving the municipalities of the burden long carried, it was determined to appoint a technical expert as Chairman of the Highways Board. A. S. MacMillan accepted the position. He was given a seat in the Legislative Council and thus introduced to parliamentary life. When the Legislative Council was abolished, he transferred his interests to the House of Assembly, with a true Nova Scotian zest for the political battle. He likes to recall the nine elections he contested, "successful in eight, defeated in one." As Minister of Highways he still directs the great transforming effort and when Macdonald Government goes to the country it is safe to guess that his road policy will be its most attractive ground of appeal for renewal of trust.

Mr. MacMillan was born 65 years ago on a farm at South River, Antigonish County, Nova Scotia. A common school education was all that was provided for him. What followed that, he has provided for himself. Still in his 'teens he crossed the line. In New York, in Boston, in Philadelphia, he worked at jobs with the Manhattan Light, the Brooklyn Police Signal Service, the New England Telephone Company.

Commercial Ventures

In 1902 Mr. MacMillan having been recalled by sickness in his father's family settled down in Antigonish, to bring the skill and knowledge he had acquired abroad into the service of home development. There was much to develop in Antigonish County a generation ago. As yet there was little telephone connection among the areas of eastern Nova Scotia. So he conceived the project of the Antigonish and Guysboro Telephone Company. For seven years he managed its operations successfully, until it was absorbed in the great telephone organization which now serves all the Maritime Provinces.

His next venture was the MacMillan Construction and Lumber Co. and the products of his energy are still to be seen in important public buildings at many points; in the magazine plant at Bedford Basin, for the Department of National Defense; in the Halifax Harbor Commission executive offices; in the fact-finding station on Hudson Straits for the Department of Marine and Fisheries; in the breakwaters and wharves for the French Government at St. Pierre.

It is as a road maker, however, that Hon. A. S. MacMillan has captured the public imagination. He saw what was wrong with the highway system of the province. He had both the insight and the courage to propose the only real remedy. Nova Scotia by his efforts has been passing with speed from a low level of road development, to one that no other province will surpass. And the expenditure has proved altogether manageable.

Burns Strike Is Explained

Hon. Norman Rogers Says B. C. Enquiry May be Made

Circumstances of the strike of employees at the Vancouver plant of Burns & Co. were recently reported in Parliament by Hon. Norman McL. Rogers, Dominion Minister of Labor. Effect of the strike on the company's earnings is not expected to be favorable, but the report for 1936 which will appear in a few weeks will show all bond interest covered by a comfortable margin.

"Our information," said Mr. Rogers, "indicates that on Dec. 29, 1936, 19 employees of the Burns plant were dismissed. These were mostly employees who had been in the service of the company for many years, and seven of them composed the entire executive of the union formed in April, 1936. A strike followed immediately."

Enquiry Expected

Mr. Rogers suggested that an enquiry into the situation would be instituted by B. C. authorities under provincial legislation. He also outlined developments following the strike:

"The western representative of the Department of Labor, Mr. Harrison, at once interviewed the company's manager with a view to settlement by conciliation. On a number of occasions subsequently both Mr. Harrison and Mr. Bell, Deputy Minister of Labor for British Columbia, conferred with the company manager and union officials in an effort to bring about a conference between the parties. They were not successful. The company manager refused to meet the dismissed strikers and employees jointly, and the employees refused to meet the management unless the dismissed employees were also present.

"Mr. Harrison went to Calgary in an endeavor to secure the consent of the president of the company to allow the dispute to be dealt with by a board of conciliation under the Industrial Disputes Investigation Act, but has been unsuccessful up to this time. The employees have agreed to a board being established. For this type of industry a board can be set up only by joint consent of the parties involved in the dispute."

The Vancouver city council, the Meat Cutters and Packing House Employees Union and Hon. G. S. Pearson have requested federal appointment of an arbitration board in connection with the Burns & Co. strike.

Union Packing Co. Strike

Another strike has been in progress at the plant of Union Packing Co. at Nose Creek, Alta. A. H. Mayland, president, is reported as stating that the company is paying no attention to the strikers.

Commercial Alcohols Ltd. Drafts Plans on Arrears

From Our Own Correspondent

MONTREAL.—Directors of Commercial Alcohols Ltd. are understood to have passed finally on a plan of reorganization designed to eliminate arrears on the preferred stock and to provide new capital required for expansion. Particulars of the plan will be made available in the near future.

Swiss Industries Fair Will be Opened Next April

From Our Own Correspondent

MONTREAL. - Preparations are well advanced for the Swiss Industries Fair, which will be held at Basle from April 3 to 13. The various aspects of Switzerland's industrial products will be exhibited in 21 regular groups and several special sections, some of them quite new.

A number of Canadian buyers are expected to attend the 1937 Fair. In order to obtain reductions in connection with travel and the reduced admission prices for visiting the Fair, it is necessary for the visitor to secure an identity card beforehand.

N. B. Power Co. Sale Awaits Technical Details

From Our Own Correspondent

MONTREAL. — Negotiations between the Saint John Hydro-Electric Commission and the Eastern Securities Co., T. M. Bell & Co. and Irving, Brennan & Co., who jointly hold an exclusive option for the sale of the distribution system of the New Brunswick Power Co., have been temporarily suspended, pending the obtaining of certain technical information.

"We have reached the stage in our negotiations where we have to obtain technical information to continue," John N. Flood, chairman of the Hydro Commission, asserted.

$15,000,000

Price Brothers & Company, Limited

First Mortgage Bonds

$3,000,000 Serial 3% and 3½% Bonds. $12,000,000 Twenty-Year 5% Bonds.

To be dated March 1st, 1937, maturing March 1st, 1939-1943 and 1957, as set out below.
Coupon bonds, denominations $500 and $1,000, registerable as to principal.
Fully registered bonds, denominations $1,000 and authorized multiples.
Trustee: Montreal Trust Company.

CAPITALIZATION

(Giving effect to this financing and to a proposed Compromise or Arrangement between the Company and its Shareholders)

	Authorized	Issued
First Mortgage Bonds, as set out below	$25,000,000	$15,000,000
4% Second Mortgage Convertible Debentures, due 1957	4,268,300†	4,268,300†
5½% Redeemable Preferred Shares	6,284,300	6,284,300
Common Shares of no par value	679,084 shares	536,807 shares‡

†Convertible at the holder's option into Common Shares at the rate of one such share for each $30 of principal at any time during the first ten years and callable on any interest date after the first five years at par and accrued interest.

‡In addition, 142,277 shares will be reserved for conversion of 4% Debentures under the above-mentioned provision.

Schedule of Maturities

Principal Amount	Interest Rate	Maturity March 1st	Principal Amount	Interest Rate	Maturity March 1st
$500,000	3%	1939	$750,000	3½%	1942
$500,000	3%	1940	$750,000	3½%	1943
$500,000	3½%	1941	$12,000,000	5%	1957

We offer, subject to prior sale, for delivery if, as and when issued and received by us and subject to approval of legal matters in connection with the issue by Messrs. Meredith, Holden, Heward & Holden and George A. Campbell, Esq., K.C., of Montreal, on behalf of the Company, and Messrs. MacDougall, Macfarlane, Scott & Hugessen, of Montreal, on our behalf—

3% and 3½% Serial Bonds. Price: 100 and accrued interest
Twenty-Year 5% Bonds. Price: 99 and accrued interest

It is expected that interim certificates will be available for delivery on or about March 18th, 1937.

For more complete information we refer to the offering circular, copies of which we shall be pleased to furnish promptly upon request.

Royal Securities Corporation, Limited

Wood, Gundy & Company Limited
W. C. Pitfield & Company, Limited
Dominion Securities Corporation Limited
Nesbitt, Thomson & Company Limited
R. O. Sweezey & Company, Limited
Drury & Co

Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington, follows:

United Kingdom: Commercial and industrial expansion continued during January and in some branches difficulty in meeting orders is encountered.

Irish Free State: The situation improved materially in 1936, with foreign trade, especially exports, larger and new industrial developments continuing.

Belgium: Business has maintained the high level of the latter part of last year and unemployment has been substantially reduced.

Sweden: The year 1936 was one of the most prosperous in the country's history, with industries and business extremely active and foreign trade the largest since 1930.

Finland: Earlier gains were consolidated in 1936 and most of the foreign indebtedness was liquidated as a result of the favorable trade balance.

Lithuania: Increased demand abroad for agricultural products notably improved the situation last year and prospects are favorable for 1937.

Bulgaria: The improvement of 1935 persisted throughout 1936, assisted by excellent harvests and increased export demand.

Turkey: Increased exports during 1936 brought about a favorable trade balance as against an adverse balance in the previous years (10 months' figures).

Japan: Substantial improvement has occurred in business sentiments.

China: The economic position at the end of 1936 was much improved, owing to the trend toward political unification and good crops.

Phillipine Islands: Government departments have been ordered to hold in reserve 5% of their appropriations to guard against the possibility that revenues will not equal estimates.

Brazil—While commercial and industrial conditions were in general satisfactory in January, some post-holiday and midsummer dullness was in evidence.

Argentina—Commercial sentiment throughout the country is optimistic, collections are prompt, and credit is ample.

Uruguay—Substantial activity and high prices in the wool market during January exerted a favorable influence on business generally.

Ecuador—Good cacao prices are having a favorable effect on business outlook.

Mexico—Despite autumn setbacks, most industries completed the year 1936 with a very satisfactory volume of business, and as January progressed the business situation continued to improve.

Guatemala—Gains were apparent in practically all lines of trade in January.

Nicaragua—The sales upturn noted at the close of the year continued during January, with prices persisting upward.

Peru — Renewed confidence was apparent during January, notwithstanding some depressing factors.

France—Industrial production, distribution, and consumption were well maintained at the end of 1936, but confidence was not completely restored.

Germany—The economic situation was improved during 1936 and the larger export surplus helped to reduce indebtedness under clearing agreements, but foreign financial relations became increasingly difficult.

Czechoslovakia — Prosecution of the armament programme speeded up production, but increased the public debt and reduced the favorable trade balance.

India—Trade and industry are active and crop prospects are good; foreign trade figures for 11 months of 1936 show improvement, particularly in exports.

An Announcement:

THE
Investors' Chronicle
Established 1860

Published in London, England, which has the largest net sale of any weekly financial newspaper, is publishing a special

Canadian Mining Supplement

This Supplement will be read by Bankers, Stockholders and Financiers throughout the entire British Isles, and will thus form a valuable financial link between Canada and the Mother Country.

Full particulars of advertising rates, etc., can be obtained upon application to — E. Stuart Johnstone, The Park Plaza, Avenue Road and Bloor Street, Toronto.

COMMONWEALTH INTERNATIONAL CORPORATION Limited, —an investment company of the British open management type—incorporated April 9, 1932—has a proven management record and provides Safety, Marketability, a Fair Return, *and an ideal hedge against inflation.*

INQUIRIES INVITED

COMMONWEALTH
INTERNATIONAL
CORPORATION
LIMITED
Royal Bank Bldg., Montreal

PERFORMANCE . . at LOWEST COST

TWO TON
ROBERT Jones CONSTRUCTION

1937 Ford V-8 De Luxe 2-Ton 157" wheelbase Truck with Stake body

Ford V-8 trucks and commercial models for 1937 are designed to give maximum performance for your individual jobs with the lowest first and maintenance costs. Truck engine horsepower and torque are increased to deliver more rugged power for the big load and the long haul.

The 2-Ton truck powered with a 95-horsepower V-8 engine serves the needs of heavy-duty operators. The 1½-Ton truck has the improved 85-horsepower V-8 engine. Ford commercial models are available with choice of 85-horsepower or the new 60-horsepower V-8 engines. Additional options are three wheelbases, choice of truck axle gear ratios and a range of body and tire equipment for individual load needs. These options make many combinations available, enabling you to select the right equipment for your work at the lowest figure.

With many new features, Ford V-8 trucks combine such proved and approved features as full-floating rear axle with straddle-mounted pinion, special truck-type four-speed transmission and full torque-tube and radius-rod drive. There is a full line of de luxe trucks. See your Ford dealer about the Ford equipment your job requires. Ask for an "on-the-job" test with your own loads, under usual conditions.

FORD V-8 2 TON and 1½ TON TRUCKS AND COMMERCIAL MODELS

Central Bank Earnings Rise, Costs Reduced

Graham Towers Predicts Better Business This Year

CIRCULATION HIGHER

Speaking at the annual meeting of the Bank of Canada this week, Governor Graham F. Towers attributed the marked improvement in the central bank's profits last year primarily to higher earnings, arising mainly from increased security holdings. On the other hand, some expenses were considerably lower.

Outlay in respect to note issue, in particular, was substantially less last year, although the change in the form of the note will involve exceptional expense in the current fiscal year. The loss on silver holdings, while still considerable, was also materially less than in 1935, comparative figures being $489,000 and $135,211.

Actual net earnings for 1936 amounted to $2,008,000, compared with $764,000 in 1935. The latter fiscal period, however, comprised only 9½ months. If calculated on the same basis for a full year, 1935 net earnings would have totalled about $965,000.

Banks' Revenues Higher

Important items in the balance sheet are those affecting the cash reserves of the chartered banks—notes of and deposits with the Bank of Canada. It is through control of these reserves, of course, that the central institution influences the volume of credit throughout the country.

During the year, these two items increased $12.6 millions. In his address to shareholders, Mr. Towers explains that "disregarding minor changes, one can say that the increase of $46 millions in our security holdings was offset to the extent of $34 millions by our new capital and the enlargement of our active note circulation, leaving some $12½ millions as an addition to the chartered banks' cash."

On the basis of average daily circulation, active note circulation in 1936 was $14.2 millions higher than in 1935, an increase of 7.2%. This is attributed mainly to greater business volume and a higher price level.

In his address, Mr. Towers stressed the necessity for tackling some of our problems while conditions were favorable.

Budget and Depression

"A country such as Canada, which is highly dependent on export trade in foodstuffs and raw materials," he said, "is exposed to wide fluctuations in business, due to conditions beyond our control. When we are severely hit by a depression, it is idle to suggest that governmental budgets should be balanced.

"It follows that a reduction in debt during the more prosperous periods is essential. If we, as a country increase our debt materially during depression, but never decrease it during better times, the ultimate result is obvious. The test which we face is our ability not only to balance budgets but to achieve surpluses for the purpose of debt reduction."

Predicts Better Business

In respect to improvement in business conditions, Mr. Towers stated:

"In volume, business in Canada in 1937 will probably exceed the 1926-29 average; in value it may come reasonably close to the figures of those predepression years. Because of the increase in working population since that time, we must hope to do a substantially larger volume of business than we have ever done before, in order to attain a satisfactory level of prosperity. I believe that goal will be reached.

"The banker is traditionally a pessimist, so that it may not be thought surprising if I express the belief that the permanency of the recovery is open to question, in the view of the unsettled state of world affairs. If this fear is not attributable entirely to professional caution, it indicates the necessity for tackling some of our pressing problems while conditions are favorable."

Port Mellon Mill Making Kraft Pulp

Port Mellon Operating Co., Howe Sound, is now in operation producing kraft pulp. The mill has a capacity of 80 tons a day.

The project was started originally as Vancouver Kraft Mills, but work to complete the project was suspended seven years ago when the pulp market went into a decline. Completion of the project as Port Mellon Operating Co. has been financed partly by British capital.

Colgate-Palmolive Plant Gets More Floor Area

Colgate-Palmolive's new $200,000 addition to its Toronto plant is now under construction and when completed will add 50% additional floor space to the Toronto unit. Expansion of the company's Toronto plant is necessitated by increased sales volume arising from its price stabilization, guaranteed profit selling arrangement with dealers.

Public Utility Earnings

Southern Canada Power

	1937	1936
January—	$	$
Gross revenue	193,884	183,849
Operating expense ...	77,130	74,479
Net revenue	116,754	109,370
Int., deprec. & divds.	109,141	108,221
Surplus	7,613	1,149
4 months end. Jan.—		
Gross revenue	771,511	734,959
Operating expense ...	314,610	292,132
Net revenue	456,901	442,827
Int., deprec. & divds.	440,678	435,863
Surplus	16,223	6,964

B. C. Power

	1937	1936
January—	$	$
Gross revenue	1,338,346	1,216,414
Operating expense ...	909,316	791,571
Net revenue	429,030	424,843
7 months end. Jan.—		
Gross revenue	8,734,894	8,085,235
Operating expense ..	5,976,061	5,428,199
Net revenue	2,758,833	2,657,036

Can. Locomotive Gets C. P. Order

Canadian Locomotive Co., Kingston, Ont., has received an order from the Canadian Pacific Railway Co. for 20 passenger locomotives of the 444 type, according to announcement by William Harty, chairman of the Canadian Locomotive Board.

Although the order is for small type locomotives, it is the largest received by the company in more than six years. In 1936 the company made seven locomotives, the first in more than five years. The results are expected to be improvement in the annual statement which will appear shortly. Even if an operating profit is shown, however, it is all expected to be written off for depreciation reserve.

The locomotives to be manufactured for the C. P. R. will be of modernized streamlined design with the most up-to-date equipment.

C.C.F. Seeks Compromise With U.F.A.

Tentative Platform Seen as Move to Unite Alberta Groups

DEFEAT ABERHART

From Our Own Correspondent

CALGARY. — Decision of the United Farmers of Alberta at their annual convention in January to remain in provincial politics as part of the Canadian Co-operative Federation seemed to destroy hopes of those who were trying to bring about a coalition of the various parties in Alberta opposed to the Aberhart Government. This group included the Liberal party, the Conservative party and the supporters of the former Brownlee Government.

The U.F.A., in spite of its aspirations again to become a political power in the province, however, has no platform. The provincial C.C.F. organization on the other hand has drafted a platform which should have some promise of attracting the support of both the organized farmers, and organized labor as united in the C.C.F.

C. C. F. Platform

A document will be submitted to local units, in contemplation of provincial-wide endorsation. The socialistic nature of the programme is declared in the opening sentence:

> "Our ultimate aim is to attain economic security for all by replacing the present capitalistic system with its inherent injustice and inhumanity by a social order in which the domination and exploitation of one class by another will be eliminated; in which economic planning will take the place of unregulated private enterprise and competition, and in which true self-government based upon equal opportunity for all will be possible."

Land Policy

The land policy suggested makes a compromise on the socialization of land which has sometimes been suggested by the C.C.F., and which has always failed to appeal to farmers. "Security of tenure" is advocated for farmers on land which they own and maintain in production. But a declaration is made against any further sales of lands now held or later to be held by the Crown, and instead a system of long-term leasehold, with annual rent based upon actual production is advocated. Farm debts would be reduced on the basis of ability to pay out of production, after maintaining an adequate standard of living, with protection of debtors against foreclosure during the period required for revaluation and debt reduction.

Marketing Compromise

A corresponding compromise is made on the subject of marketing. Government assistance for co-operative marketing is demanded, but in the case of major agricultural products (including presumably wheat) a system of national marketing agencies is favored.

But the real difficulty with the farm programme will arise out of getting farmer support for the unemployment plank of the labor section which accepts the principle that an unemployed person shall either be provided with work at union wages or an income equal to that which he could earn if working.

Socialization of coal, water power, tar sands, gas and oil, with conservation and use in the public interest is demanded. Redistribution of tax burden is advocated through "steeply graduated income and inheritance taxes." Public debt is recognized by a declaration in favor of "consolidation of all debts by conversion to long-term or nonmaturing fixed interest bearing bonds, callable at government option."

"What's to Become of the Prairies?"

By PERCY H. WRIGHT

On every hand one hears the question, "And what do you think is going to happen to your western country anyway?"

I have lived in western Saskatchewan since the days of the sod house, and of tramping out grain with horses' feet, and have seen many ups and downs, and know the vagaries of the area very well. Everyone knows that the West will come back, when the rains return. But it is equally certain that, some time in the future, the rains will again fail us. All wish to know what can be done to put the country on a basis of permanent settlement.

Return to Grazing

A certain area, not large in proportion to the whole, will undoubtedly be returned to range grazing. Eventually another area, sizable, but likewise not large proportionately, will be irrigated from the rivers fed by the Rocky Mountain snows.

Conditions in a submarginal area will undoubtedly be improved somewhat by the development of farming practices that are suited to the soil and climate. These will include the storage of large quantities of fodder and silage, the latter perhaps in underground trench silos, from year to year. More feed grain will come to be held on the farm as a reserve. This is a practice that should be encouraged. The extensive use of the new Crested Wheat grass will certainly aid in the control of soil-drifting. Large-seeded grasses and légumes may some day be developed that will enable seeding-down to be done with much greater chance of getting a stand than at present.

Local Irrigation

Perhaps the most important immediate gain to be made is the saving of the immense spring run-off of snow water. Nearly every farm has a "draw" which may be dammed, and a spring flooding of select areas from these reservoirs will at least ensure good gardens, with abundance of vegetables, small fruits and roots for livestock, even in the worst of years.

Alfalfa not only survives but yields well under conditions of one flooding per year. A small spring-irrigated patch of alfalfa on each farm may eventually lead to a relatively large acreage of this excellent crop in the Prairie Provinces, and thus to the lessening in some degree of the serious problem of fodder in dry years.

Not All Lost

It must be remembered that large areas of the West have been perfectly satisfactory even in the present drought era, and are as adapted for the making of happy homes as any part of Canada. Adjustments of one sort or another are capable of releasing a large part of the country from the vexations that at present hamper life.

Every effort should be made to conserve those particular natural resources which, once lost, can never be restored. I refer particularly to losses of fertility by wind and water erosion, as well as by field rotations that provide for no return of plant fibre.

Drought Menace

Rehabilitation of the drought stricken western agricultural lands has been much in the public eye recently. In parliament, the matter has been discussed at great length following the introduction of the Government's vast reclamation scheme.

The drought area in the West last season spread over almost half of the total farm area of the three Prairie Provinces. To remove the 900,000 people involved in such an area, as Hon. J. G. Gardiner, federal minister of agriculture, pointed out, would be obviously impossible. Some more practical solution must be adopted. In the accompanying article, Mr. Wright of Wilkie, Saskatchewan, suggests such a solution.

Maritime Telegraph Seeks Authority For Bond Issue

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. has applied to the Nova Scotia Board of Public Utilities for authority to issue bonds to the par value of $2 millions. The purpose of the issue, the application stated, was to redeem outstanding refunding and general mortgage 5% bonds totalling $1.5 million falling due Jan. 1, 1956 and to reimburse the company for expenditures already made for acquisition, construction and improvements to plant.

The offer of exchange, subject to approval of the board, is already being made and the plan has been underwritten by Royal Securities Corp.

Canada Northern Power Secures Another Contract

From Our Own Correspondent

MONTREAL.—Canada Northern Power Corp., through its subsidiary Northern Quebec Power Co., has signed a power contract with Payore Gold Mines, which will allow for the electrification of the major portion of the plant as planned after the upper levels have been established. With the power supply, the company will be able to provide for more effective and rapid underground development, with the reserve of the present Diesel plant for supplementary or emergency purposes.

Air Travel Bureau Opened in Toronto

Passenger and Freight Service Routes Represented in Canada

Canada's first all-air travel bureau and ticket agency opened this week in Toronto's Royal York Hotel.

Perhaps unique among Canadian business enterprises, the new Airline Agencies Ltd. opened for business as the representative of all leading Canadian and United States air transport lines, the first company to anticipate a rapid growth of air travel among Canadians during the next few years, and equipped to provide complete ticket service and routing by air to all parts of the North American continent and beyond.

While Duncan Clark and H. Engholm, youthful founders of the company and joint general managers, looked on, speeches were made by Toronto's Mayor W. D. Robbins, and Winnipeg's "Flying Mayor" Dr. Fred E. Warriner who officially declared the office open. Predictions that Toronto would have a municipal airport by the end of the year were made by Mayor Robbins.

Present at the formal opening ceremonies were representatives of some of the airlines represented by Airline Agencies Ltd; Northwest Airlines Inc., American Airlines Inc., Transcontinental and Western Air Inc., United Air Lines, Eastern Air Lines, Pan American Airways Inc., Canadian Airways Ltd., and Canadian Colonial Airways.

Obituaries

R. J. Hutchings, vice-president of the Great West Sadlery Co. and former president of the Canadian Manufacturers' Association. He was 71.

Hon. H. C. Hocken, Canadian senator and former mayor of Toronto, aged 79.

Tourists

Over Four Million Cars Enter Canada in Year

Canada's tourist traffic as indicated by the number of United States automobiles entering Canada for periods ranging up to six months, is picking up. Last year slightly over four million cars entered the Dominion from the south which was a gain of three-quarters of a million over 1935. This incoming traffic constituted the best season since 1932 when the 1936 record was eclipsed by approximately 40,000 cars. In 1931 almost five million tourist cars entered Canada.

Traffic, however, was not altogether one sided, as Canadian tourist cars entering United States last year numbered almost 690,000. This was the heaviest exit of motor equipped tourists in the last six years and exceeded the 1931 figures by well over 100,000.

TOURIST AUTOMOBILES

	Entering Canada	Leaving Canada
1936	4,073,200	689,674
1935	3,249,287	659,259
1934	3,261,843	513,852
1933	3,096,887	417,132
1932	4,103,777	376,857
1931	4,909,989	536,855

The bulk of the incoming tourists came in through entry ports in New Brunswick, Quebec, and Ontario with the last named province easily heading the list. Most popular port of entry was Fort Erie, Ont. with almost 800,000 American cars coming in for periods not exceeding 60 days. Windsor was not far behind and Niagara Falls was third place. The next most popular port of entry was St. Stephens, New Brunswick, with approximately 375,000 cars entering.

About three million of these cars were in Canada for 48 hours or less.

Tax Exemption May Be Reduced

Efforts to dodge Ontario's income tax by creation of "personal corporations" outside Canada are blocked in part by introduction of new amendments to the Income Tax Act of Ontario.

Keynote of the amendment is that the tax paid to the Dominion income tax collector on that part of a person's income derived from a personal corporation outside Canada, is no longer permitted as an exemption or deduction from income for purposes of the Ontario income tax laws. The proportion of the Dominion income tax paid on income derived in Canada is still exempt from provincial taxation, however.

Thus a man paying $1,000 to the Dominion in income tax, of which $500 is tax on income derived from a personal corporation outside Canada and $500 on income derived within the Dominion, would be allowed exemption to the extent only of $500. Formerly the exemption applied to the entire $1,000 tax paid to the Dominion. Other clauses of the amendment bring various sections into conformity with the Dominion income tax laws.

Travellers Using Trailers To Carry Displays of Goods

Commercial travellers in the United States are using trailers to exhibit everything coffins and fire places to paints, schoolbooks, guns, electric fans and boots and shoes.

Displays and heavy products are brought right to the customer's door and in some cases the drummer cuts down travelling expenses by living in his trailer with his commodities.

The biggest users of the display coaches are the electric household appliance manufacturers. In some cases goods are displayed in permanently built-in quarters as they would appear in the kitchen or living room. General Electric has outfitted a fleet of over 50 model electric kitchens which call on public utility companies.

In addition to the commercial travellers there are now operating in the United States travelling boot and shoe and other repair shops, and concession wagons which follow street carnivals and fairs. There are also emergency hospital units. Trailers have been converted into portable offices for contractors on the job, serving also as emergency living quarters.

Most commercial trailers are sold as shells, with the chassis and the body, but without any equipment inside. The user has a local cabinetmaker design and builds shelving or other equipment according to his particular need or the trailer builder may do it for him as a special job.

In some parts of eastern Canada large trailers are now serving as kitchens for highway and power line construction gangs and it is quite possible this move may be extended in the case of other travelling workers.

A Babayan Rug
IS ALWAYS A
Sound Investment
And More So in the Present Rising Market
Come and see for yourself Canada's largest and most magnificent variety of Oriental Rugs, including masterpieces of
Royal Kirmanshahs, Super Sarouks, Keshans, Meshets, Boukharas, Lylahans, etc., etc.
We specialize in medium and extra large size Orientals for private offices and board rooms.
BABAYANS LTD.
32-34 King St. E. Cor. Victoria St.

J.T.C.
Constructive Factoring
Introducing to Canadian business a comprehensive and flexible factoring service, which assures the enhancement of efficiency and profits.
Inquiries Invited
JAMES TALCOTT OF CANADA LTD.
Factors
CONFEDERATION BLDG. - - MONTREAL
Phone PL. 9771

NEXT STOP Damascus!

CANADIAN NICKEL GOES TO SYRIA : : : WEALTH COMES BACK TO CANADIANS : : :

GLIDING DOWN from Baghdad across the Syrian desert traversed only by camel caravans since prehistoric days, comes a strange, new, rubber-footed nomad of the East. Room for 35 passengers in this dreadnought of the desert. Meals served in transit. Next stop Damascus, 24 hours away.

Practically the entire body of this Pullman of the plains is Nickel Alloy Steel. Silvery Monel lines its galley. The vital parts of its power plant, transmission and axles also contain Nickel—Nickel from Canadian mines.

From deep in the earth's crust in the Sudbury Basin of Northern Ontario, thousands of tons of Nickel ore are hoisted to the surface daily. The giant smelter nearby has grown into one of Canada's largest industrial plants. Freight trains come and go, bringing timber, machinery, supplies from every corner of the Dominion.

And from the nine-acre refinery at Port Colborne, Ontario, Nickel—99% pure—is shipped to the far corners of the world following the peaceful pursuits of industry. In return, money comes back to Canada to pay wages not only to those who work in the mines, smelters and refineries, but also to those Canadians who produce the food, cut the timber, manufacture the equipment and supplies and man the railroads which feed Canada's great Nickel industry.

Growing industrial markets for Canadian Nickel throughout the world are a vital force in speeding Canadian prosperity.

CANADIAN NICKEL FOLLOWS WORLD INDUSTRY

Monel TUB PROTECTS DELICATE FABRICS

MONEL is used in modern commercial laundries the world over because it does not develop rough or sharp corners which might tear clothes, and because it is free from rust and corrosion which might stain the wash. And now leading manufacturers offer you electric washers with Monel tubs. Each tub like a silver bowl. Strong, sturdy, free from rust and corrosion . . . Ask to see them wherever good washers are sold.

Write for a free copy of "The Nickel Industry in 1936", a complete review of the past year's world-wide developments and applications of Nickel and its Alloys.

NICKEL MONEL

THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
25 KING STREET WEST, TORONTO

THE FINANCIAL POST

SECOND SECTION

Vol. XXXI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, FEBRUARY 27, 1937 | 10c a Copy; $5.00 a Year | No. 9

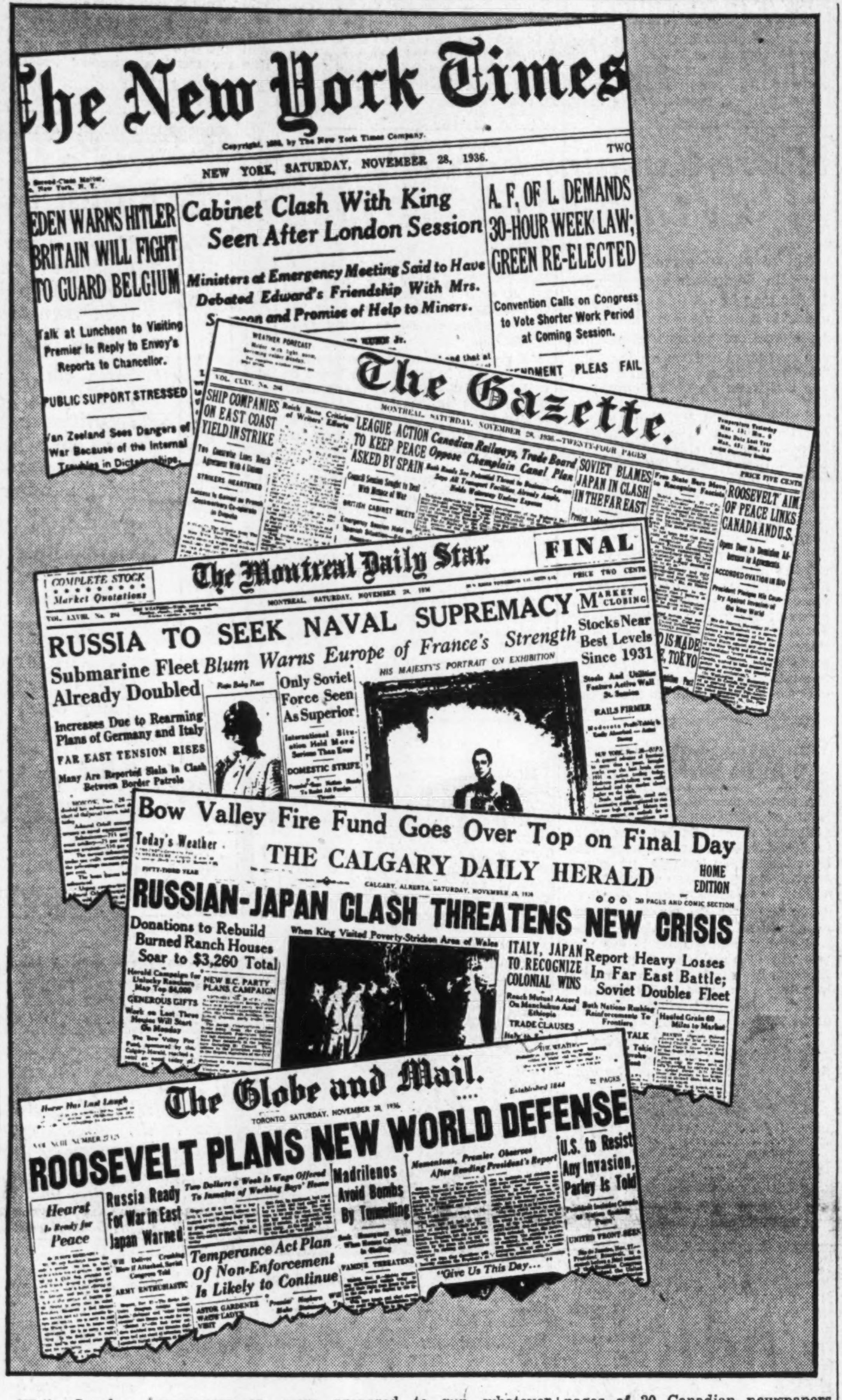
When Fleet Street Shied at News

Press Silence About Edward Self-Imposed

Baxter Reveals Story Behind Hush Up of Simpson Romance

ALL FACTS KNOWN

By BEVERLEY BAXTER



The New York Times

NEW YORK, SATURDAY, NOVEMBER 28, 1936.

EDEN WARNS HITLER BRITAIN WILL FIGHT TO GUARD BELGIUM

Cabinet Clash With King Seen After London Session

Ministers at Emergency Meeting Said to Have Debated Edward's Friendship With Mrs. Simpson and Promise of Help to Miners.

A. F. OF L. DEMANDS 30-HOUR WEEK LAW; GREEN RE-ELECTED

Convention Calls on Congress to Vote Shorter Work Period at Coming Session.

PUBLIC SUPPORT STRESSED

The Gazette

SOVIET BLAMES JAPAN IN CLASH IN THE FAR EAST

ROOSEVELT AIM OF PEACE LINKS CANADA AND U.S.

The Montreal Daily Star

FINAL

RUSSIA TO SEEK NAVAL SUPREMACY

Submarine Fleet Already Doubled

Blum Warns Europe of France's Strength

Only Soviet Force Seen As Superior

Stocks Near Best Levels Since 1931

Bow Valley Fire Fund Goes Over Top on Final Day

THE CALGARY DAILY HERALD

HOME EDITION

RUSSIAN-JAPAN CLASH THREATENS NEW CRISIS

Donations to Rebuild Burned Ranch Houses Soar to $3,260 Total

ITALY, JAPAN TO RECOGNIZE COLONIAL WINS

Report Heavy Losses In Far East Battle; Soviet Doubles Fleet

The Globe and Mail.

TORONTO, SATURDAY, NOVEMBER 28, 1936.

ROOSEVELT PLANS NEW WORLD DEFENSE

Hearst Is Ready for Peace

Russia Ready For War in East Japan Warned

Madrileños Avoid Bombs by Tunneling

U.S. to Resist Any Invasion, Parley Is Told

Temperance Act Plan Of Non-Enforcement Is Likely to Continue

"Give Us This Day..."

While London newspapers entrenched themselves in a "zone of silence" concerning the King and Mrs. Simpson during the weeks preceding the constitutional crisis, Canadian newspapers were equally silent, although perhaps for different reasons. Most Canadian editors were prepared to run whatever news there was so long as they were certain it was news and not just gossip. On Nov. 27 occurred an emergency meeting of the British cabinet. The New York Times the next morning boldly asserted that the session dealt with the constitutional impasse produced by l'affaire Simpson. Examination of the front pages of 20 Canadian newspapers for Nov. 28 reveals that only one gave the emergency meeting of the cabinet more than two lines of space and it did not mention the crisis.

Above are reproduced a part of the front page of the New York Times of Nov. 28 and part of the front pages of leading Canadian dailies of the same date.

The story of the constitutional crisis is now many weeks old and according to established newspaper values, it should be relegated to the bottom of an away page. The truth is that it is still an immense story and will continue to be until the last act is played to its unknown finish.

I appreciate the compliment which the editor of the Canadian Printer and Publisher has paid me in asking me to tell of the crisis from the newspaper angle.

Perhaps the best way to deal with the subject is to take it from the beginning when Fleet Street began to realize that something entirely new in royal amours was developing.

Clipped Time

The American magazine "Time" has a big circulation among British newspaper executives, a fact that many of us regret. Its clipped English which suggests a vitality of thought that does not exist has one great advantage. By its use the writer of a story can conceal both his ignorance and his lack of style. More than one of the popular British dailies now slavishly copies this transatlantic phenomenon with great harm to the traditions of the London press.

However, it was not the clipped English but the clipped pages of "Time" which began to rouse special interest. All references to Mrs. Simpson were being cut before the magazine was placed on sale in Britain.

There was no official censorship. There was no official action by the Board of Trade which controls imports. It just happened that the distributors chose to exercise their own prerogative.

Now if you ask me whether the president of the Board of Trade or the foreign secretary happened to run across the managing director of the distributing firm at some dinner and said what a pity it was that an American publication should insult the King and spread false rumors—who am I to deny or confirm? There are many ways of making yourself heard without using a megaphone.

No Post Office Ban

However, the post office, which is Government controlled, allowed "Time" to enter through the mails without emasculation. That would have involved official censorship and might have raised questions between the American and British Governments. At any rate it would have created publicity and that was not the desire of the Cabinet.

Therefore "Time" marched on with its running story of King Edward and his middle-aged Baltimore lady, and all British newspaperdom, as well as all London society, knew about it. On the other hand the public as a whole remained blissfully ignorant.

It must be admitted that no one here took the affair very seriously. Edward VIII had nearly always had a lady friend who was discreetly married and the records showed that whenever these ladies showed any intention of unshipping their husbands, the Royal ardor cooled. Therefore we slept comfortably in our beds with the knowledge that Mr. Simpson could not cite the King as a co-respondent since the King was above the law and that Mrs Simpson would have the lesson of history before her and would not try to get rid of Mr. Simpson.

Pleas Useless

At the same time we were all feeling very unhappy about the way the foreign press, and the American section particularly, was reducing the dignity of the British throne to the level of a vaudeville sketch. About that time Larid Goldsborough, the foreign editor of "Time," came to London and I took him to lunch at the House of Commons with the intention of trying to "seduce him to better things."

With a sincerity that he did not doubt I urged upon him the position which Edward VIII held in the respect of the world and pointed out that there might come a moment of final crisis in Europe when the personal intervention of this much-loved young man might be the only means of saving Europe from catastrophe. And, within the bounds of courtesy, I challenged his right, for the sake of sensationalism, to cheapen and destroy the man who held this potential power.

We discussed the matter for a long time then, and later on when we crossed together on the maiden voyage of the Queen Mary. When we left America he sent flowers to our cabin, but alas! those flowers were the only tangible result of my efforts.

Royalty Respected

The British press continued to ban any mention of Mrs. Simpson. This was entirely self-imposed and was not even the result of a combined decision. But it must be understood that for nearly 50 years the British press had been conducted on the basis that the private lives of the Royal Family should not be mentioned in the press. Thus the Royal Princes would appear at a London night club and dance with their friends while the cheapest publication in Britain would make no mention of the fact.

It was then, however, that the King, whose judgment in all things was beginning to show the deterioration of infatuation, decided to take a hand in the press game. The name of Mrs. Simpson, at first coupled with her husband and then alone, began to appear in the Court Circular issued from Buckingham Palace. We learned for example that the Archbishop of Canterbury, Mr. and Mrs. Baldwin, Sir Samuel and Lady Hoare and Mrs. Simpson dined with the King. The old aristocracy were shocked. This was washing clean linen in public! After all, everyone remembered, King Edward VII had cast the eye of approval on certain ladies but he had never given them an official status.

Flirted With Story

If the British newspapers had been alert to their own responsibility and the King's danger they would have broken their self-imposed ban, there and then. Instead they merely flirted with the idea. The "Express," for example, ran the Court Circular on its front page once or twice when Mrs. Simpson appeared in it but the public if it thought at all, must have imagined that it was nothing more than another "Express" vagary.

The next step in the King's progress was the yacht trip to the Mediterranean. His guests were interesting. They consisted of the Hon. Mrs. Fitzgerald, formerly Helen Drury, of Halifax, N. S., and a sister of the late Lady Beaverbrook, Lord Brownlow the young alert equerry-chamberlain and his wife, Duff Cooper, minister of war, and his historically beautiful wife the former Lady Diana Manners, and Mrs. Simpson. It was intended that Archie Compston, the golf professional, was to go as well, but at the last moment this was cancelled. That was a pity for Archie might have spoken his mind and put some wisdom into the gathering. I am not sure how long Duff Cooper was with them but for the moment that is unimportant.

Pictures began to arrive of the King and of Mrs. Simpson swimming, boating, walking through the streets, greeting Ataturk or King George of Greece and generally behaving with heartiness and friendliness.

For two days the popular London press published the pictures without explaining who Mrs. Simpson was and then suddenly the "Sunday Despatch," Lord Rothermere's Sunday newspaper, announced that it would publish no more pictures of the King's holiday unless they were of national importance. Simultaneously all others ceased publication.

Was it official censorship? No.

Was it direct Government interference? No.

Was it the result of a combined decision of the newspaper proprietors? More or less.

In other words you must not assume it completely improbable that an unofficial envoy from the King had pleaded for fair play. After all the King was on holiday and, etc., etc.

During this period the newspapers of the Empire observed a dignified reticence. I am asked if there was direct interference with them. My own impression was that the Dominion newspapers took their cue from the British. In addition there is a sense of consideration and reticence in the newspapers of the Dominions toward the Royal Family that made them hesitate to take part in the American journalistic debauch.

The King's Friend

When the King's party returned there was one weekly news magazine "Cavalcade" (patterned on "Time") which began to publish quite a lot about Mrs. Simpson while describing her as the King's friend. As a result a powerful friend of the King dropped in to express his disappointment. The owners of "Cavalcade" showed him a page just ready for the press. It was the famous genealogical history of Mrs. Simpson showing that her ancestors came to Britain with the Phoenicians or else that they were the oldest of the Ancient Druids.

"Will His Majesty object to that?" queried the owners.

"Oh, no," said the King's friend, "he will be pleased."

A few nights later I was dining at a restaurant when the head waiter whispered to me that Mrs. Simpson had just filed her petition for a divorce and that it would be heard at Ipswich. A few discreet enquiries proved that it was true. The incredible had happened. It took no great prescience to realize that Mrs. Simpson, with the full approval of the King, was preparing the way for her march on the Palace. I at once 'phoned to the "Daily Sketch," one of the group with which I am connected, and gave them the story. Nothing appeared. Two days later I asked what had happened but received nothing but evasive replies. It was obvious that the Camrose group would not publish.

Beaverbrook Stand

In desperation I 'phoned my old friend Beaverbrook, who asked me to come to the country and see him. When I told him the news his face never moved a muscle but I realized the truth at once. Fleet Street had the story and had decided to suppress it. I was beating against a gate that was padlocked and the key thrown in the moat.

I told Beaverbrook that he was mad and that the whole press was mad. I tried being funny and asked him if he was expecting a knighthood. I told him that if the press played into Mrs. Simpson's hands with this conspiracy of silence, that the King would misjudge the response of the public and marry her. I also warned him that once the press showed that it could be suppressed to suit the interests of one person it would be a simple matter for some future Labor Government to repeat the process for its own purposes.

The next day from an unexpected source I heard the whole inside story. The King had personally telephoned to Beaverbrook, getting the number himself. After two interviews at the palace, Beaverbrook had agreed not to publish and offered to use his influence where he could. Other methods of approach were made to the Astors (owners of the "Times") and Lord Camrose. It is an interesting fact that the "Times" refused to kill the story completely and insisted upon a nominal report of the divorce when it took place. The others followed suit. When Mrs. Simpson got her decree the papers all published the bare fact that a Mrs. Simpson had secured a divorce from her husband. It was given no prominence and might just as well have been Mrs. Jones or Mrs. Green.

The News Break

Readers of Canadian Printer and Publisher must forgive me if once more I mention my own contact with the case. Rightly or wrongly I feel it would be more understandable if I made this article consist of the reactions in the case of a journalist on the spot.

When the King was about to open Parliament I wrote an article under my signature in the "Sunday Graphic" entitled "The King, Parliament and You." In that article I told of the early doubts of the King's willingness to take the throne and made the prophecy that he might soon have to make a choice between duty and inclination. Everyone on the inside, knew what the article meant but again the public took no special notice.

A few weeks later a cabinet minister took me on one side at the house. He showed me the proof of an editorial. My few remaining hairs stood upright.

"This or a variation of it," he said, "will appear in all the principal provincial newspapers tomorrow. One of my friends in Yorkshire has just sent me this to read."

Did the provincial papers combine? Let me answer that question by stating that five competing journals published the identical editorial!

They had taken their cue from the diocesan address of the Bishop of Bradford. In secret conference it was the "provincials" who decided to break the silence zone of London.

That exposure came on a Tuesday. Nine days later King George VI was proclaimed King, and Edward VIII was steaming away from the shores of England

This is my summary:

There was no censorship.

There was no bribery nor intimidation.

There was no official interference with Empire newspapers.

The British press in a misguided loyalty to the King finished with its silence what the American press began with its vulgarity.

That is the inside story of the biggest blunder in the history of newspaper publication.

Press Silence Self Imposed

In the accompanying article, written for Canadian Printer and Publisher, Beverley Baxter, M.P., discusses one of the keenest controversies to arise out of the abdication crisis in Britain. Newspapermen the world over are still discussing whether or not it was wise for British newspapers to keep King Edward's marriage intentions out of the news when an Empire-shaking crisis was at hand.

It is estimated that only one ninth of the people of the world now get their news from uncensored newspapers. Before the constitutional crisis broke in Britain the newspapers of that country imposed upon themselves a censorship as complete as that imposed by governments upon newspapers of many other countries. They now admit that it was a mistake; the same thing is not likely to happen again.

Mr. Baxter contributes something to journalistic history in writing this article on the "zone of silence" into which the British press voluntarily entered.

King Announces Plans For Royal Commission

Ottawa Move for Survey Heralds Revamping of Canadian Constitution — Temporary Aid for West

Prime Minister Mackenzie King, speaking in the House of Commons on Feb. 16 announced the Government's plan to appoint a Royal Commission to investigate the whole system of taxation in the Dominion, and to study the division of financial responsibilities between the provinces and the Dominion. Following is the text of his statement to the House:

I have already had occasion to intimate to this house that the Government has been giving a great deal of thought to the desirability of appointing a commission to study certain aspects of the relationship between the dominion and the provinces. The aspects to which I refer are primarily financial. They include the allocation of sources of revenue, and the financial capacity of the provinces to discharge their responsibilities.

The problem we have had in mind has become acute in the case of the provinces of Manitoba and Saskatchewan. The depression, intensified by drought, has drastically reduced the income of the people of these two provinces and consequently the revenue-raising capacity of their Governments, while at the same time it has given rise to steadily mounting relief costs and fixed charges.

Burden Too Heavy

These two provinces have thus far met their obligations, but we have been advised that it is impossible for them to continue to meet their present burdens with the sources of income available to them. Representations to this effect were made at the financial conference held in Ottawa in December, and the matter was again discussed by the Premiers of the respective provinces with the Minister of Finance (Mr. Dunning) in January.

As an outcome of the discussions between the Premiers of Manitoba and Saskatchewan and the Minister of Finance, the Bank of Canada was invited by all concerned to make an independent study of the financial position of Manitoba and Saskatchewan, and was asked to present its views at the earliest possible date.

The bank's report on Manitoba is now in the hands of the Government. The report has been tabled today. It expresses the view that Manitoba has imposed taxation on a scale at least as high as that of any other province in Canada, and has restricted expenditures as far as it was possible to go without curtailing the services to an extent which would not have been in the public interest. Certain additional expenditures are now believed to be essential, but the bank is not prepared to say that it is practical to secure the necessary funds by means of further taxation, and there is no nearby prospect of securing revenues to cover the provincial share of relief costs.

Saskatchewan's Problem

The report on Saskatchewan is not yet available, but it is probable that it will disclose difficulties at least as serious as those of Manitoba.

In giving consideration to the situation, as a whole, we have thought it unwise to consider the ability to borrow as the only test which should be applied. If Provincial Governments find it difficult to discharge the responsibilities which have been placed upon them, and, at the same time, in spite of genuine efforts at economy, to make both ends meet, there will eventually be an end to their ability to finance deficits by additional borrowing.

The difficulties of the Prairie Provinces have been greatly intensified by drought, and the earning power of their people has been affected accordingly. But other sections of the country are not free from problems of a similar character, although they may not be so acute.

Weakness in System

We have, in short, ample indication of certain fundamental strains and weaknesses arising out of our present allocation of financial powers and Governmental responsibilities, and if no attempt is made to remove them, the ill effects will not be confined to the sections where they now appear.

In these circumstances, we propose to appoint a royal commission of inquiry to investigate the whole system of taxation in the Dominion; to study the division of financial powers and financial responsibilities between the Dominion and the provinces; and to make recommendations as to what should be done to secure a more equitable and practical division of the burden to enable all Governments to function more effectively—and, I may add, more independently—within the spheres of their respective jurisdictions.

The commission will be faced with a great volume of work, and will require some time to formulate its recommendations. Its appointment, therefore, cannot represent an immediate solution of the pressing financial problems of Manitoba and Saskatchewan. If these provinces are to continue to discharge their present responsibilities, some immediate financial assistance is necessary. In the circumstances, we believe that the Dominion Government would be justified in extending temporary aid to them pending the report of the royal commission. A recommendation to that effect will be made to the house when the supplementary estimates are brought down.

Fathers of Reconfederation

IT IS possible that the Fathers of Confederation will be succeeded by a group of Fathers of Re-Confederation under the terms of reference of the forthcoming Royal Commission enquiry into Canadian Government finance.

The purpose of the enquiry is to curb the competition between the 10 Canadian governments in governing and taxing the people, which has led to duplication or even triplication of services and tax levies. As outlined in Parliament by the Prime Minister, Hon. W. L. M. King, the task of the Commission will be to outline a recasting of the financial basis of Confederaton which has stood since 1867.

If the Commission is successful, it can lead this country off the road to insolvency and financial chaos. It can establish the dire necessity for halting the process that has been followed for years, of piling deficit on deficit and debt on debt; and it can set forth the method of dealing with the staggering financial burden built up by our governments over the past 70 years.

• • • •

End Provincial Dependence

TO MAKE the provinces truly independent, as suggested by Mr. King, the Commission enquiry is aimed at reallocation of the financial responsibilities of the provinces and the Dominion and a redivision of the sources of revenue. If the provinces are to stand on their own feet financially, it must mean an end to constant demands for increased provincial subsidies, for Dominion guarantees of provincial debts, and for loans to provinces.

The record of the increasing subsidies since Confederation illustrates the problem. It is a story without a plot, but with the uniform theme of asking for more. Subsidies have been a bone of contention since 1867 and have cost the Dominion about $500 millions. They started in 1867 with payments to the first four provinces, Nova Scotia, New Brunswick, Quebec and Ontario, at a rate of $260,000 annually. The annual rate paid by the Dominion to the nine provinces is now over $14 millions annually. Wonderful as has been the development of the Dominion of Canada, it has hardly been more remarkable than the expansion of subsidies to nearly 54 times the level of 1867.

• • • •

Enquiry National in Scope

WHILE the financial problems of Manitoba and Saskatchewan are named as immediate cause for the enquiry, its scope is to be national according to Mr. King's pronouncement:

"We propose to appoint a Royal Commission of enquiry to investigate the whole system of taxation in the Dominion; to study the division of financial powers and financial responsibilities between the Dominion and the provinces; and to make recommendations as to what should be done to secure a more equitable and practical division of the burden to enable all governments to function more effectively—and, I may add, more independently—within the spheres of their respective jurisdictions."

As Mr. King has said, this does not provide a solution for the immediate financial needs of Manitoba and Saskatchewan. It is the considered opinion expressed in the Bank of Canada's report on Manitoba, which must be regarded as an impartial judgment, that the province is unable to carry its present financial load. The same can be said for Saskatchewan with more emphasis. In these circumstances, little fault can be found with the Dominion Government's proposal to aid the two provinces pending the Royal Commission enquiry.

• • • •

No Discrimination Against Provinces

ACCUSATIONS that Ottawa has discriminated against Alberta because it allowed that province to default, are unfair. They leave out of consideration the fact that Alberta was primarily responsible for the collapse of the proposals for Dominion guarantees for debt of bankrupt provinces under the loan council scheme. They overlook the fact that Alberta has arbitrarily cut the interest rates on its bonds; despite which Ottawa has continued to lend to the province for unemployment relief. Alberta has provided its own temporary financial aid, although the method was foolhardy. Doubtless if Alberta were to retreat from financial experimentation, and particularly if it were to restore the bond interest payments that it has in part repudiated, the province would get temporary aid like Manitoba and Saskatchewan. And the provincial finances are now to be surveyed by the Bank of Canada as it has done for Manitoba and Saskatchewan.

Other provinces should appreciate the national scope of the forthcoming enquiry. The need for reform in Government finance is a national concern far beyond the extremities of a few provinces. Quebec, for instance, has a far bigger budget problem than appears to have been recognized generally. So have the Maritimes, particularly New Brunswick. Ontario has made marked progress toward a balanced budget and British Columbia has accomplished a great deal toward restoring order to its finances. But all the provinces have felt the need for reform of the financial basis of Confederation and all are to be included in the field of enquiry.

• • • •

Problems Created By Constitution

A MAJOR difficulty of governments in Canada under the British North America Act is that many social responsibilities, which have become more and more costly in the 70 years since Confederation, are allotted to the provinces. On the other hand, the sources of revenue for the provinces under the Act have proved inadequate to meet the growing costs of the social legislation.

The primary problem of the Royal Commission will be to determine the spheres of government best allocated to the provinces and those best suited to national administration under the Dominion Government. Then it will be necessary to make some calculation of the costs of the various responsibilities and finally to draft recommendations for redistribution of revenues with the idea of fitting them to the responsibilities, rather than on a hit or miss basis.

While majority public opinion appears in favor of the general idea of a Royal Commission enquiry into the division of government responsibilities and their costs, it will be a more difficult matter to secure agreement on specific recommendations which are expected to develop from the investigation.

Suppose, for instance, that the suggestion is made that collection of succession duties should be a prerogative of the Dominion rather than of the provinces because of unequal distribution of estates in various areas. The provinces with the largest revenues from succession duties would probably be inclined to balk at the idea. Suppose, also, that a proposal be made to give the provinces sole rights to collect sales taxes. Those provinces with the least commercial activity might object.

Most provinces would probably be glad to have the Dominion take over the burdens of unemployment relief, unemployment insurance, mothers' allowances, and similar social activities of government. It would be a great relief to provincial budgets and might tend to lift part of the burden of real estate taxation in municipalities, whose expenditures and revenues are affected vitally by provincial policies in these social fields. But would the provinces willingly give up revenues to compensate the Dominion for assumption of greater burdens? There is finally the possibility that some provinces might abuse an improvement of their budget position for political spending.

• • • •

Canada Can Avoid Financial Chaos

EVEN though the recommendations of a Royal Commission lead to haggling between the provinces and the Dominion, it should be possible to achieve a more equitable division of financial responsibilities and government income than exists at present. It will involve a great deal of give and take in the national interest as contrasted with provincial interests. To accomplish this by constitutional reform, and to reduce the haggling to a minimum, it is essential that the best possible personnel should compose the Commission. The stronger the group, the better the chances that its recommendations will be taken seriously.

Probably the Commission will consist largely or entirely of outsiders who can examine the Canadian tax structure with a fresh but impartial viewpoint. Representation from Great Britain appears certain. It would be constructive to have a commissioner from the United States, because many Canadians would regard responsible American opinion as representative of unbiased understanding of a neighbor's problems.

Ultimately, of course, the task of revising the financial structure of Canadian governments must be the responsibility of Canadians. It is to be hoped that the work of the Royal Commission at least succeeds in awakening the people of this Dominion to a more lively interest in the gravity of the need for bringing the costs of government in Canada into balance with government income. Unless the nation is sufficiently alive to this need, there is a serious possibility that government finances will continue to deteriorate toward chaotic conditions. The consequences, either in the form of much higher taxation or in inflationary developments, would be costly to nearly every Canadian pocketbook.

Income and Estate Taxes—

Detailed Analysis of Income and Estate Taxes Shows Considerable Difference in Rates Charged in Canada, United States and Great Britain

By W. L. GORDON

From a paper read to the Ticker Club, Toronto. Mr. Gordon is a partner of the firm of Clarkson, Gordon, Dilworth and Nash, chartered accountants.

Wealth in Canada Is Heavily Taxed

So great has been the increase in income taxes and succession duties in Canada during the depression years that it is not surprising that wealth is being driven out of the country, according to W. L. Gordon, chartered accountant, in the accompanying article.

The income tax paid by a resident of Toronto on a $1 million income has increased from 39.4% in 1928 to 70.2% in 1936.

There is no uniformity throughout the provinces in the taxation of incomes and estates. Combined federal and provincial income taxes in Ontario are lower in all brackets than in the four Western provinces and in Prince Edward Island.

Succession duties in Ontario are in the main higher than in other provinces.

Income taxes in Great Britain compared with those paid in Ontario, are higher on incomes below $500,000 and lower on incomes in excess of that amount. In New York State, on the other hand, taxes on incomes in the lower brackets are lower than in Ontario and higher on incomes in the upper brackets.

It is not necessary for me to do more than mention the improved business conditions, the great increase in security values since 1932 and the optimistic view which we seem justified in placing upon the prospects for the year 1937. These matters have been carefully gone into by those of you who are qualified to deal with them.

Recently we listened to three members briefly review the prophecies which they had made at the beginning of 1936 respecting security values and improvements in business and we were duly impressed by the accuracy of their forecasts. We also listened to the views of three other members on the prospects for 1937, and I at least was impressed with the relative absence of qualification with which they predicted a continued improvement. All in all it is nice to think that most of you have been quietly making your fortunes and the fortunes of your clients during the last two years and expect to keep on doing so.

Note of Gloom

It is my unpleasant task to introduce a note of gloom into this happy picture—to point out to you the amount of your fortunes which you will have to pay over to our respected governments. Some of you may not have been greatly perturbed as yet by the size of your income taxes, but as you continue to prosper you will begin to realize that an increasingly large share of your earnings is payable to your silent partners, the Dominion and provincial governments.

While there has been some discussion of the possible effects of the increasingly high rates of taxation on the higher income brackets this has been largely confined to those who are personally affected and to their advisers. The probable effects of high taxation are not a matter which will give the general public much concern. In fact even the younger businessmen are inclined to be apathetic to this question. Most of them are not greatly affected by the scale of tax rates at present and vaguely hope that things will be better when the time comes for them to earn larger incomes.

Expects Higher Taxes

Personally I have no such hope and expect by the time you are all receiving large salaries as heads of our leading institutions, the tax rates will be higher than they are today. I think this is even more certain to be the case if we continue to leave the discussion and consideration of this subject to the relatively few men who are now paying the high taxes. Their opinions are suspect and cannot be expected to carry much weight.

In order that you may be familiar with the tax situation as it is at present I shall briefly review the increases in personal income and estate taxes since 1928, taking for example the taxes applicable to a resident of Toronto. I shall then compare the taxes collectible from residents of the different provinces and the corresponding taxes in England and the United States.

The income taxes payable by a married man with no dependents and not entitled to any other exemptions or deductions have been used in the comparisons of income taxes throughout. The taxes payable on estates transferred to the widow or to one child have been used in all comparisons of succession duties.

Increase in Income and Estate Taxes

In the year 1928 Dominion income taxes were based on a graduated scale of rates of from 2% on the first $2,000 of taxable income, to a maximum of 50% on all income in excess of $500,000. The tax calculated in this manner was subject to a reduction of 20%. A married man in 1928 was entitled to a deduction of $3,000 in arriving at his taxable income. The graduated scale of rates has been increased since 1928, the reduction of 20% eliminated and the deduction for a married man has been reduced to $2,000. In addition, all "investment income" (which includes all unearned income and all income in excess of $14,000) is subject to a surtax and an amount of 5% is added to both the tax calculated according to the graduated scale and to the surtax. The effect of these increases is shown in the following table:

Dominion Income Taxes

Gross Income	Percentage of Net Income 1936	1928
$	%	%
5,000	2.52	0.64
10,000	6.51	2.32
25,000	15.92	8.10
100,000	32.75	19.06
1,000,000	62.54	36.29

Ontario Income Tax

There was no provincial income tax in Ontario in 1928, but a resident of Toronto was subject to assessment on his income under the Ontario Municipal Act—the Toronto tax rate was 31 4/5 mills (for public school supporters). The province of Ontario introduced an income tax act in 1936 but at the same time the Municipal Act was amended to exclude income so that the tax formerly paid the City of Toronto was discontinued. The combined Dominion and Province of Ontario income taxes in 1936, however, were substantially higher than the taxes on income levied by the Dominion and the City of Toronto in 1928. This is shown by the following table:

Dominion and Provincial Income Taxes

Gross Income	1936	1928	Increase
$	%	%	%
5,000	3.65	1.91	91.27
10,000	8.78	4.55	93.24
15,000	13.11	6.76	94.02
25,000	20.49	10.89	88.04
50,000	30.29	16.39	84.59
100,000	40.11	22.15	81.12
250,000	54.36	30.77	76.68
1,000,000	70.24	39.46	78.01

Increase in Estate Taxes

During the same period 1928 to 1936 the estate taxes or succession duties in Ontario were increased appreciably. This can be seen from the following table:

Ontario Succession Duties

Gross Estate	Percentage of Gross Estate 1936	1928
$	%	%
100,000	8.63	5.5
500,000	14.38	11.5
1,000,000	20.7	17.0
2,500,000	27.6	22.0
10,000,000	33.35	25.0
50,000,000	33.35	25.0

The increase in the income and estate taxes is perhaps brought home more forcibly by taking a hypothetical example of a man in possession of $2,000,000 on which he earns say 4½%. His income taxes and net income after taxes in 1928 and 1936, if he were a resident of Ontario, would have been as follows:

	1936	1928
	$	$
Gross income at 4½%	90,000	90,000
Income taxes	34,651	19,033
Net income after taxes	55,349	70,967

$2 Millions Estate

Now suppose the man dies leaving his whole estate of $2,000,000 to his wife. The succession duties payable, the net amount which his wife would receive and the income taxes which she would have to pay if her capital returned the same 4½% and her net income would be as follows:

	1936	1928
	$	$
Gross estate	2,000,000	2,000,000
Succession duties	494,500	400,000
Net amount to wife	1,505,500	1,600,000
Gross income at 4½%	67,747	72,000
Income taxes	23,741	14,254
Net income after taxes	44,007	57,746
% of net income after taxes to gross estate	2.20%	2.89%

I am not suggesting for a minute that the wife cannot get along very nicely on an income of $44,000. I merely wish to show that in this particular case the net return from the inherited estate has been reduced from 2.89% to 2.20% through the increase in the taxes. This is a reduction of 23.79%.

Comparison by Provinces

Manitoba has had an income tax act since 1923, Prince Edward Island since 1924, British Columbia and Alberta since 1932 and Saskatchewan and Ontario since last year. There are no provincial income tax acts in force in the other provinces—Quebec, New Brunswick and Nova Scotia. In Ontario, Manitoba and Prince Edward Island the amount of the Dominion income tax may be deducted in arriving at the net income subject to the provincial income tax. No such deduction may be made in British Columbia, Alberta or Saskatchewan where a man's total income is subject to a double tax (federal and provincial). This results in high total taxes on income in these three provinces, particularly on the higher income brackets. In an extreme case in Saskatchewan the combined Dominion and provincial taxes would exceed the gross amount of the income.

The percentages of the total incomes taxes, Federal and Provincial, to gross income are shown for each province in the following table for the year 1936:

Dominion and Provincial Income Taxes
(Percentage to gross income)

Gross Income	B.C.	Alta.	Sask.	Man.	Ont.	N.S., N.B. & ▲Quebec	P.E.I.
$	%	%	%	%	%	%	%
5,000	4.52	4.02	4.77	5.65	3.65	2.52	5.93
10,000	11.56	11.41	11.39	11.84	8.78	6.51	11.18
15,000	18.34	17.37	17.41	17.08	13.11	9.94	16.24
25,000	28.80	28.85	28.33	25.94	20.49	15.92	24.32
50,000	41.91	45.32	42.57	37.52	30.29	23.92	31.53
100,000	55.74	58.45	58.46	48.33	40.11	32.75	39.47
250,000	72.41	74.69	80.00	63.13	54.36	46.41	51.77
500,000	82.78	84.92	91.99	72.25	63.62	55.78	60.20
1,000,000	90.04	92.11	100.07	78.41	70.24	62.54	66.28

▲This does not include municipal income taxes.

Succession Duties by Provinces

The succession duty rates are lower in the other provinces on very large estates than they are in Ontario, a comparison of the percentages of the estate taxes to gross value of the estates being as follows:

Succession Duties
(Percentage of estate taxes to gross estates)

Gross Estate	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.B.	N.S.	P.E.I.
$	%	%	%	%	%	%	%	%	%
100,000	3.75	6.5	5.5	4.0	8.63	4.0	3.3	6.05	5.0
500,000	12.5	13.0	14.3	12.0	14.38	9.0	8.8	13.75	5.0
1,000,000	21.25	16.5	23.65	15.0	20.7	13.0	12.65	20.35	5.0
2,500,000	21.25	19.0	27.5	15.0	27.6	15.6	16.5	26.4	5.0
10,000,000	21.25	19.0	28.6	15.0	33.35	16.5	16.5	29.7	5.0

Taxes in U. S. and England

Income taxes in Great Britain include a tax at the standard rate and a surtax. The standard rate for the year ending April 5, 1937, is four shillings and ninepence in the pound or 23¾% (the rate is one shilling and sevenpence in the pound on the first £135 of income after deducting allowances). The surtax is applicable on all total incomes over £2,000 and is based on a sliding scale of from 5½% on the first £500 in excess of £2,000, to a maximum of 41¼% on all income in excess of £50,000.

The exemptions and allowances under the British Act are lower than in Canada and the United States.

Two Differences

There are two main differences in the way in which taxable income is ascertained in Great Britain and Canada. The taxpayer in Great Britain is assessed not only on his actual income but also on the net rental value or the estimated net income which he could obtain from property owned and occupied by himself. There is no such assessment for income purposes in Canada or in the United States on owner-occupied property. A more important difference is the absence of double taxation on corporation earnings in Great Britain. Companies pay the normal rate of tax (four shillings and ninepence in the pound) on their net profits. The dividends paid out of such profits are not subject to a further assessment at the normal rate in the hands of the individual taxpayer, although the gross amount of such dividends (the amount received plus the tax on the proportionate amount of profits paid by the company) must be included in the taxpayer's total income subject to surtax. In Canada and the United States, on the other hand, companies pay Federal income taxes at the rate of 15% on their net profit. The dividends paid out of such profits are then taxable again in the hands of the individual shareholders.

There are no county or municipal income taxes in Great Britain comparable with the provincial and state taxes on incomes in Canada and the United States.

Income taxes payable to the U. S. Federal Government under the Revenue Act 1936 include a so-called normal tax of 4% on net income, plus a surtax which is based on a sliding scale of from 4% on "surtax net income" in excess of $4,000 and not in excess of $6,000, up to 75% of "surtax net income" in excess of $5,000,000.

Perhaps the major difference between the income taxes in the United States and those in Great Britain and Canada is that capital gains are included in arriving at the taxable income in the United States and conversely capital losses are deductible. Capital gains and losses are not taken into account in calculating taxable income in Great Britain and Canada.

New York State income taxes, which may be deducted from gross income when computing net income subject to Federal income tax, run from 2% on the first $1,000 of taxable net income to 7% on all taxable net income in excess of $9,000. There is also an emergency tax of 1% of the taxable net income. No income tax is levied by New York City.

The following table shows the percentages of the total income taxes to gross taxable income paid at the present time by residents of Great Britain, New York State and the Province of Ontario. It is difficult to compare accurately the income taxes applicable on the same amounts of income in the three countries owing to the differences in the ways in which taxable income is arrived at.

Comparative Income Tax Rates
Percentage of income tax to gross income

Gross Income	Great Britain	▲New York	♦Ontario
$	%	%	%
5,000	17.34	3.73	3.65
10,000	20.54	7.87	8.78
15,000	23.67	10.95	13.11
25,000	29.20	15.16	20.49
50,000	38.30	22.75	30.29
100,000	46.84	35.62	40.11
250,000	55.54	54.00	54.36
500,000	58.39	63.05	63.62
1,000,000	59.82	69.82	70.24

▲Combined taxes paid to New York State and U. S federal government.

♦Combined taxes paid to Dominion of Canada and Province of Ontario.

Both the United States Federal Government and the New York State authorities collect estate taxes. In Canada such taxes are only levied by the provincial governments.

The succession duties in Ontario are lower than the estate taxes in Great Britain. The estate taxes collected in the United States from the larger estates are considerably greater than the comparable taxes in either Ontario or Great Britain. This is shown by the following percentages of the estate taxes to the amount of the gross estate in the three countries.

Comparative Estate Taxes

Amount of Estate	Great Britain	Ontario	*N.Y. State
$	%	%	%
100,000	8.92	8.63	4.20
500,000	19.81	14.38	16.58
1,000,000	24.76	20.70	21.93
2,500,000	32.68	27.60	34.68
10,000,000	45.55	33.35	52.04
25,000,000	50.5	33.35	63.81

*Includes federal tax.

Will Drive Wealth Away

The conclusions which are drawn from these figures will probably be colored by our personal aspirations and political beliefs. Those of you who are firm believers in the profit system as it used to be and in the unrestricted rights of the individual, will consider the story which I have unfolded a dismal one and will favor drastic reductions in the present tax rates. Those of you who are looking forward to a socialist society would probably like to see the present rates increased without delay as a step toward your ideal state.

I do not think, however, that the majority of you fall into either of these two extremes. I believe most of you are prepared to face conditions as they are and not as you would like them to be and are ready to draw your conclusions accordingly. It is to this majority that I submit the following conclusions for consideration:

Income taxes and estate taxes in Ontario have increased substantially and I think we should take stock of what these increases may mean. It seems to me that if we proceed to tax our few very wealthy citizens to extremes while they live and in addition take one-third of their estates from them when they die, we must not be surprised if some of them leave us for places where they are given more consideration.

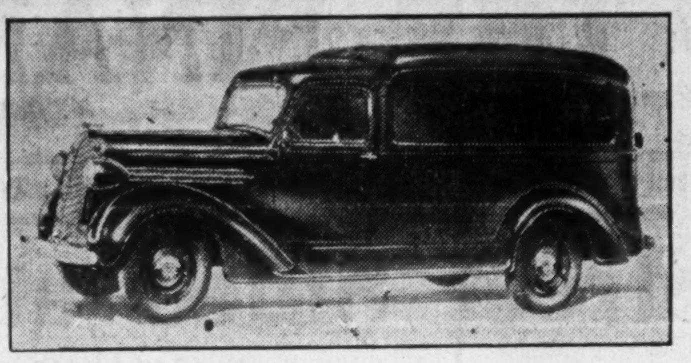
Wealthy Get Encouragement

It seems to me significant that while income taxes in Great Britain are considerably higher than they are in Canada on incomes up to $100,000, they are lower than they are in Canada on the very high income brackets of $500,000 and up. In Great Britain the very wealthy men, while subjected to substantial income taxes, are given some encouragement to go on working and to keep their capital working. It seems foolish to reach a position where there is no incentive for a rich man to invest his capital in enterprises of a development or speculative character.

I believe that we would be better off in the long run if we reduced the rates of taxation on the very high incomes, even if it were necessary to make up the difference by increasing the rates on the low and medium income brackets.

Rates Too Divergent

In a country such as Canada it is unfortunate that there should be such divergence in the rates of income taxes and succession duties. No provincial income taxes are imposed by some of the provinces, whereas in another the provincial income tax rates are so high that the combined Dominion and Provincial taxes on incomes of $1,000,000 equal the amount of the income. In two other provinces the net amount remaining from a $1,000,000 gross income after payment of the two income taxes is approximately 10% Such differences between provinces should be adjusted if possible.



NEW FARGO TRUCK

Fargo division of Chrysler Corp. of Canada has announced an entirely new three-quarter to one-ton truck on both 120- and 136-inch wheelbase. The truck is planned to give larger capacity without increasing operating costs and to accommodate special bodies for local delivery such as milk, bread, flowers, groceries, dry cleaners, etc.

Moore Explains Paradox In Canada's Relief Costs

Out of 960,000 persons receiving relief in September approximately 280,000 may be considered "employables" in urban areas and 90,000 may be considered persons of working age registered as farm occupants according to figures given at a luncheon last week by Tom Moore, vice-chairman of the National Employment Commission. Mr. Moore pointed out that figures were exclusive of New Brunswick since the payment of the direct relief in which the province and Federal Government participated was discontinued in that province prior to the commencement of the Commission's registration.

"Of a total of 960,000 persons receiving relief in September," said Mr. Moore, "approximately 590,000 were wives or dependents under 16 years of age leaving approximately 370,000 of working age. All these were not, however, fully employable, some because of age or physical or mental conditions being more properly cases for permanent social care.

"We estimate, therefore, that of this total of 370,000 not more than 325,000 would properly be classified as employable, of which about 25,000 were registered as being farm occupants.

"I give you these figures to make it clear that in addition to those on relief there was at that time an army of unemployed workers of nearly 300,000 available for employment. In many cases these would be men and women whose period of unemployment had been either spasmodic or not of as long duration as those on relief and, being nearer to the job, it is reasonable to assume they would be likely to be the first to be absorbed. There is no doubt from this reservoir that many of the additions to employment rolls have been taken.

"This explains in part the fact that there need be no conflict in the number of those in employment increasing, and relief rolls not decreasing. In fact it is possible that relief rolls could increase at the same time as volume of employment rolls."

Vancouver Shows Growth In Its Basic Industries

A survey compiled by Vancouver Board of Trade shows 60 new manufacturing plants started production in Greater Vancouver during 1936. In addition, 60 established plants carried out expansion programmes, adding to equipment and output.

For the first six months of 1936 new industries started showed they had given employment to 600 new workers with a six-month payroll of $275,000. Investment in plant or new buildings amounted to $860,000 and selling value of the products was $1,520,000.

Growth of basic industries in British Columbia in 1936 is shown in the following table prepared by Vancouver Board of Trade.

	1935	1936
	$	$
Lumbering	57,000,000	60,000,000
Mining	47,750,000	52,000,000
Agriculture	42,500,000	47,350,000
Fishing	15,250,000	16,250,000
Total payrolls	125,812,000	134,000,000
B. C. Govt. revenues	25,500,000	26,696,000
Tourist bus. (est.)	16,000,000	23,000,000
Relief rolls (Dec. est.) persons	87,000	72,000

Open Montreal Plant

From Our Own Correspondent

MONTREAL.—The Maxine Footwear Company of Toronto is to establish a plant and office in Montreal shortly, with Hyman Craft, formerly of the Credit Footwear Company, as superintendent. There will be about 125 'all the year around' employees to begin with. The firm manufactures novelty footwear in leathers and fabrics.

Swift Canadian Adopts New Vacation Plan

J. H. Tapley, manager of the Toronto plant of Swift Canadian Co., announces that vacations with pay will be given hereafter to hourly-wage employees of the company.

Hourly-wage employees with two years of continuous service will receive one week's vacation with pay. Those with five years' service records are to get two weeks with pay. Women with 15 years' and men with 20 years' service receive three weeks with pay.

Mr. Tapley states that 150 employees on hourly wages will receive the one week's vacation, about 300 will get two weeks, and 50 are in line for the three weeks' vacation

GLOBE ENVELOPES LIMITED
Makers of Well Gummed Envelopes
860 ADELAIDE STREET WEST-TORONTO

Canadian Pacific Express Travellers Cheques Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

Each trust KEPT SEPARATE

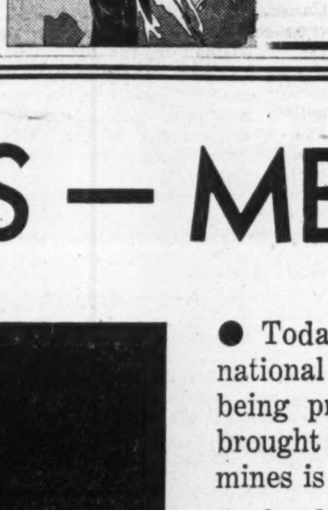
Upon many occasions individual executors have admitted to the Court hopeless entanglement of their own assets with the assets of estates in their care.

Such confusion is impossible with this Company as executor. The securities and records of each estate are kept separate from all others—and $30,000,000 of estates funds are being administered.

Securities are systematically reviewed. Records are regularly audited. Certified statements are submitted at regular intervals.

Further particulars of our modern methods for safeguarding and conserving estates will be provided gladly upon request.

The CANADA TRUST COMPANY
London, Toronto, Hamilton, Windsor, St. Thomas, Chatham, Winnipeg, Regina, Edmonton, Vancouver, Victoria.



GLENEAGLES HOTEL SCOTLAND
The Unrivalled Playground of the World
Descriptive Literature (No. 201) and full particulars from Frank S. Stocking, 1010 St. Catherine Street West, Montreal, Canada, or Arthur Towle, LMS Hotels Controller, London, England.

MINES — MEN — MEALS

● Today, Canada's mining activity is a bigger factor in national progress than ever before. New mineral areas are being prospected — new claims staked — new mines brought into production. And the output of established mines is being increased.

And a definite part of the new trend is the emphasis being placed on the observance of wise economy in every phase of operation. Machines are geared to greater efficiency. Men are trained to keener effort. All expenditures must be justified.

The camp commissariat is well in the vanguard of the new efficiency schedule. The feeding and housing of men in mining districts — often far from supplies — is no minor problem. It calls for trained personnel and ceaseless attention to details if waste is to be eliminated and workers kept fit, willing and contented.

For the past 24 years, Crawley and McCracken Company, Limited, "Canada's Biggest Cook," has been feeding men away from home — in mining developments — pulp and paper — lumber — railway and highway developments. There is no problem, either of locale or specialization with which this firm is not familiar.

Whether you are maintaining 50 or 500 men — whether your operations are centrally located or far removed from transportation facilities — an experienced officer of this company will gladly discuss matters with you for the purpose of obtaining maximum efficiency at a minimum of cost.

"Canada's Biggest Cook" has been identified with the following mining operations: —

McIntyre Porcupine (Gold)
Kirkland Lake (Gold)
Tough Oakes (Gold)
Argonaut Mines
International Nickel Co.
Treadwell-Yukon
Sudbury Basin
Omega
Martin Bird
Francoeur
Ronda
Tionaga
Payore
Kilmar, and many others, also the Asbestos Mines at Thetford, Que.

CRAWLEY & McCRACKEN COMPANY LIMITED
MONTREAL
SUDBURY COCHRANE CHAPLEAU
TORONTO PORT ARTHUR KENORA
NORTH BAY LONDON SAULT STE. MARIE

to EUROPE SPEED! COMFORT!
R.M.S. QUEEN MARY
from NEW YORK
to Cherbourg and Southampton
Mar. 3 BERENGARIA
Mar. 10 QUEEN MARY
Mar. 18 BERENGARIA
Mar. 24 QUEEN MARY
Mar. 31 AQUITANIA
to Glasgow, Belfast and Liverpool
Mar. 5 ANTONIA
Mar. 19 ANDANIA
to Plymouth and London
Mar. 4 AURANIA
Mar. 11 ASCANIA
Mar. 18 ALAUNIA
to Cobh and Liverpool
Mar. 13* SAMARIA
Mar. 27* SCYTHIA
*calls at Boston following day
from HALIFAX
to Plymouth and London
Mar. 6 AURANIA
Mar. 13 ASCANIA
Mar. 20 ALAUNIA
Mar. 27 AUSONIA
to Glasgow Belfast and Liverpool
Mar. 7 ANTONIA
Mar. 21 ANDANIA
The largest passenger fleet on the Atlantic offers you the widest possible choice of routes, rates and dates of sailings to Europe.
Ask about our Winter Cruises to Nassau, West Indies, South America and Around the World.
VISIT INTERNATIONAL PARIS EXPOSITION—May to October 1937
Apply to your local agent (no one can serve you better) or to
CUNARD WHITE STAR LIMITED
217 Bay Street, Toronto
(ELgin 3471)

You'll like them—everybody does.
"EXPORT" CIGARETTES
Plain ends or the new FILTER TIP.

Filing Systems and Office Equipment
DESKS - CHAIRS
FILES - SAFES
PARTITIONS
SHELVING
LOCKERS
Keeping Pace?
Don't let obsolete equipment retard the tempo of improving business.
Standardize on efficient and reliable products.
Maker-to-User Service
OFFICE SPECIALTY MFG. Co. LIMITED
NEWMARKET, CANADA
Branches in Principal Canadian Cities

Bank Chat

Loan Trend

PERHAPS most significant of the statements made by bank presidents and general managers in their annual addresses has been the prediction that commercial loans will increase. It was pointed out that some improvement has been evident in recent months, and that in all likelihood this would continue.

It appears unlikely, however, that the increase will be very marked. Much will depend on the general price level. The forecast of rising commercial loans was based partly on business improvement. It was also based to a considerable degree on the probable trend of commodity prices. For instance, a merchant who requires a bank loan to finance his inventory will obviously require more if the value of that inventory increases.

Some bankers contend that the price rise is behind the improvement which has already been noted. Perhaps not so much along the example mentioned as borrowing to finance larger purchases of goods, in anticipation of higher prices in the future.

In any event, it is probably safe to say that loans will evidence no very sharp upward trend, until next fall at least. At present the volume of bank loans against grain is at a very low ebb. It may be that a substantial crop next fall will require much heavier loan accommodation.

* * *

British Banking

FROM the welter of statistics on British banking operations last year, three distinct trends may be traced. First is an increase in cash; second is expansion of earning assets, and consequently in deposits; third, and most notable, is an increase in advances.

In referring to the third of these, the London Economist points out that in the early days of "reflation" of bank cash and deposits, there was little or no new demand for loans and the banks were consequently compelled to make heavy purchases of securities. In so doing, they hastened the decline in long-term interest rates. The question now naturally arises: Does the fact that advances are rapidly increasing necessarily mean that the banks will become sellers of securities? Further, if these sales should coincide with flotation of a large Government loan, what would be the effect on interest rates?

The answer, as suggested by the Economist, is:

"There is no mechanical difficulty in the way of an expansion in bank cash sufficient to meet the growing demand for bank credit and to prevent any consequent break in the gilt-edged market.

"The crux of the problem, however, depends on broader considerations. If it be true that we are committed to the maintenance of active trade and cheap money (both long- and short-term) and also to the financing of rearmament mainly out of borrowing, then what the bank accounts really teach us is that we have no escape from a further expansion of bank cash."

* * *

Spring Fever

BARRING unexpected developments in the near future, bankers appear to be in for a quiet time. Last of the annual meetings—that of the Bank of Canada—was held this week, and, so far as can be predicted, nothing of a very startling nature is in the immediate offing. There are features of prime importance affecting the general business and financial situation, which, of course, are of considerable interest to the banks. But even the western situation, which occupies the limelight at the moment, is of more or less indirect interest to the banks. As the Post has pointed out, they hold practically no western provincial bonds.

Three years ago, there was establishment of the central bank to draw attention. And in the two intervening years, the Bank of Canada has continued to be a centre of interest. Two years ago there was the actual beginning of the central bank's operations; last year, was the question of how and when the bank was to be "nationalized." Now, the central bank is well established, with complaints from both bankers and nonbankers few and far between. And as yet, nothing of moment has evolved to take its place as a matter of general banking interest.

Bank of Canada Shares Are More Concentrated

Women Still Predominate in List of Stock Holders

CHANGE IS SLIGHT

From Our Own Correspondent

OTTAWA.—Holdings of Bank of Canada shares are becoming concentrated in fewer hands as time goes on, an analysis of the ownership as at Dec. 31, 1936 reveals.

The tendency is not, however, rapid or alarming. The initial subscribers, 12,200 in number, averaged 8.2 shares each in 1934. The number of shareholders on Dec. 31, 1936 had fallen to 10,423 and the average holding had risen to 9.6 shares.

There is nothing remarkable about this in view of the fact that original applicants were so numerous that nor more than 15 shares were allotted to each. The Bank of Canada Act permits a maximum holding of 50 shares.

Women Shareholders

An interesting trend is the way in which the ownership of the bank is passing into the hands of women, as was forecast by The Financial Post shortly after the distribution of the shares in the autumn of 1934.

At that time it was stated that 36.9% of the initial subscribers were women, holding about 25% of the stock.

An analysis of the present holdings made by the "sampling" method, indicates that over 43% of the total subscribers are women.

There has been an accumulation of shares in a general way in that part of Canada east of Montreal, at the expense of holdings in the far West, as the following table indicates:

Average Holdings

Shares by Provinces	Initial Distrib.	Distrib. Dec. 31, '36
Prince Edward Island	601	716
Nova Scotia	5,109	6,027
New Brunswick	2,944	2,624
Quebec	25,962	27,377
Total, 4 eastern Provs.	34,616	36,744
Ontario	45,707	44,254
Manitoba	5,931	5,862
Saskatchewan	4,181	4,330
Alberta	3,116	2,874
B. C. and Yukon	6,449	5,936
Grand total	100,000	100,000

As in 1934, the only provinces to hold shares in greater proportion to the total capital than their population is to the total population were Ontario and Nova Scotia. Nova Scotia acquired more shares. Ontario decreased it slightly.

The province showing the greatest increase in average holdings was Quebec, where the figure rose from 7.9 shares per person in 1934 to 9.7 per person at the end of 1936. New Brunswick showed a rise from 8.9 shares per shareholder to 10.6; Ontario from 8.6 to just over 10.

The following table gives the present number of shareholders in each province and the average holding.

	Shareholders	Average Holding	
Prince Edward Island	73	9.8	(9.4)
Nova Scotia	614	9.8	(8.8)
New Brunswick	247	10.6	(8.9)
Quebec	2,833	9.7	(7.8)
Ontario	4,417	10.0	(8.6)
Manitoba	660	9.0	(7.7)
Saskatchewan	588	7.3	(6.5)
Alberta	360	7.9	(7.6)
B. C. and Yukon	631	9.4	(8.7)

When originally allocated, the two central provinces held 71.66% of total shares. The proportion now is 71.63%.

Representing Group

The shareholders of the Bank of Canada continue to represent a cross-section of the Canadian people. A seaman on the list holds 20 shares, a tavern keeper owns seven, a sexton owns two, and a cook, seven. A university dean with seven shares appears on the list with a "modiste" who owns five. A naval architect owns 10 shares.

The Lieutenant-Governorof Prince Edward Island owns 15 shares and his wife another 15; Hon. Murray MacLaren, Lieutenant-Governor of New Brunswick has 50 shares. There are some names famous across Canada, although the list fails to show many names which are household words. Rt. Hon. R. B. Bennett is not there, but Captain Ronald Vivian Bennett of Hopewell, Master Mariner, is represented with 25 shares. Sir John Douglas Hazen of Saint John owns 15 shares; and so does Senator G. B. Jones. Chief Justice Chisholm of Nova Scotia is on the list, and so is Hon. N. W. Rowell, Chief Justice of Ontario. There are no Taschereaus among the owners of bank shares in Quebec. Neither Premier Aberhart nor any of his Social Credit colleagues owns a share; but Henry E. Spencer, monetary reformer of the United Farmers of Alberta, former M.P. has one share. Lord Atholstan has 15.

Bank of Canada Weekly Statement

Major change in the Bank of Canada's balance sheet in the week ended Feb. 17 was a decline of $3 millions in short term government security holdings. Offsetting changes among liabilities included reduced deposits of the Dominion Government and lower note circulation.

Balance Sheet

	Feb. 17 $	Feb. 10 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	119,555,991	120,462,805
Rest fund	743,716	743,716
Dep.: Dominion	34,460,591	36,447,315
Banks	192,946,716	193,826,903
Other	949,336	969,009
Total deposits	228,356,643	231,243,227
All other liabs.	1,320,627	1,268,013
Total liabs.	360,076,977	363,817,760
Assets		
Reserve: Gold	179,474,600	179,474,599
Silver bullion	2,251,238	2,244,492
Res. in sterling and U. S.	13,836,319	14,149,192
Total reserve	195,562,157	195,868,283
Subsidiary coin	210,992	204,558
Investments:		
Dom. Govt. short	57,832,843	60,788,713
Other Dom. Govt.	103,015,405	103,215,545
Total invest.	160,848,248	164,004,258
Premises	360,319	360,070
All other assets	3,095,260	3,380,591
Total assets	360,076,977	363,817,760
Reserve ratio	56.21%	55.69%

Power Loads Up In Ontario Areas

Northern System Records Largest Percentage Increases

Primary power loads in all systems of the Ontario Hydro-Electric Power Commission of Ontario showed marked gains in January over the 1936 month.

Largest percentage gains were in the Thunder Bay and Northern Ontario systems which are effected by increased activity in the mining and forest industries. The largest volume increase was in the Niagara System of southern Ontario.

In comparison with December, the loads show seasonal decreases.

Comparative figures follow:

January
Ontario Hydro/Peak Loads
(Maximum 20-minute peak horsepower)
Monthly Summary of Loads

Systems:	1937	1936	% Incr.
Primary Load:			
Niagara	1,053,887	969,035	8.8
Eastern Ont.	113,874	104,397	9.1
Georgian Bay	26,810	25,690	4.4
Thunder Bay.	80,958	63,009	28.5
Northern Ont.	99,385	82,423	20.6
Total	1,374,914	1,244,554	10.5
Primary and Secondary Loads:			
Niagara	1,122,118	1,142,091	*1.7
Eastern Ont.	126,334	122,011	3.5
Georgian Bay	26,810	25,690	4.4
Thunder Bay.	141,877	125,737	12.8
Northern Ont.	185,041	158,160	17.0
Total	1,602,180	1,573,689	1.8

*Decrease.

Imperial Tobacco Co. Arranges to Buy Burley

From Our Own Correspondent

MONTREAL.—Imperial Tobacco Co. of Canada has made arrangements to purchase 2.5 million pounds of burley tobacco of the 1936 crop from the Burley Tobacco Marketing Association. The tobacco will be taken directly from farmers at a price not lower than the aggregate appraised value.

Loan Firms Ask Revision Of Charters

Rate Schedule on Small Loans Involved in Change

WANT FLAT CHARGE

Two of Canada's leading small loan companies, Central Finance Corp. and Industrial Loan & Finance Co. have applied for revision of their charters. The major issue at stake is the rate which should be charged on personal loans.

The Industrial Loan bill, now before the Senate, modifies the company's rights respecting loans and charges. It would set up a "simple flat and uniform rate" not exceeding 2% a month on the money lent. That respecting Central Finance Corp. asks two different rate schedules. One would be a monthly 1½% rate on co-maker loans, that is, those made on the surety of endorsers or guarantors. The other calls for a monthly charge of 2¼% on unsecured loans.

It is pointed out by loan company men that experience has justified a materially higher cost in chattel mortgage lending. This is given as an explanation of the difference in the rates asked by the two companies. Some 80%, it is estimated, of the business of Industrial Loan & Finance is in co-maker loans. Central Finance deals only in chattel mortgage loans.

In addition to the new rate schedules, the Central Finance Bill would change the company's name and provide for a very large increase in capital stock. It is proposed to change the name to Household Finance Corp., the name of the parent organization in the United States. The Canadian company has been operating largely on funds borrowed from the parent organization. It is estimated that the U. S. company has an interest, in capital stock, reserves and loans, in Central Finance to the extent of $3 millions.

May Expand Business

Present capitalization is $500,000. The amending bill asks that it be increased to $5 millions. Repayment of the amount owing the parent company would then leave about $2 millions for further expansion of business in Canada. Whether or not this will take place, depends, according to officials of the company, on the rate of interest at which they are allowed to operate. At a 2% rate, it is claimed, a number of branches would have to be closed. If a higher rate is granted, expansion is planned.

Follows Senate Enquiry

Action of the two companies in asking revision of rate schedules is seen as an indirect result of the investigation made, but not completed, by the Senate's Banking and Commerce Committee last spring. It will be recalled that conflicting views on proper rates were presented to that committee, with G. D. Finlayson, superintendent of insurance, contending that a flat rate of 2% a month was sufficient, and two of the three companies operating under Dominion charter holding that 2½% was the absolute minimum. The third company felt that even this rate was too low, and indicated that it might have to withdraw if it was put into effect.

The unpublished recommendation of the senate committee was that 2½% be paid on balances up to $300, and that over and above that amount 1% be assessed. That is, on a loan of $500, repayable in 10 equal installments, the charge would be 2½% for the first $300 and 1% on the remaining $200. After the first repayment, 2½% would be paid on $300 and 1% on $150, and so on. This principle, similar to that used in computing income tax, is employed in the United States to a considerable degree.

New Charter Interpretation

No legislation to this end was introduced last session, and it is considered very unlikely that it will be introduced at the present session. Since the senate committee's enquiry, however, the companies have been informed by the insurance superintendent that interpretation of their charters would be on a new basis, and that they should amend their charters to place their business on a rating schedule of a flat monthly figure of 2%.

The new interpretation, The Financial Post is informed, is largely concerned with the clause referring to a special fee on chattel mortgages. Legislation now allows 7% interest, then a 2% service charge, and finally a special charge of not more than $10 for expenses incidental to the chattel mortgage. The companies had interpreted this to mean that this chattel mortgage allowance could be based on a proportionate ratio to the expenses of the business as a whole. The new interpretation would be that only actual costs connected with the individual mortgage could be so charged. In effect, one company has stated, this would mean that it could no longer handle this type of business.

No Unemployed

SAINT JOHN, N.B. — There are no unemployed at Black's Harbor, N.B., the location of Connors Bros., Ltd.—canners of sea products—according to reports at the annual meeting recently in Saint John. All residents are employed in the cannery.

Weekly Bank Clearings

	Feb. 18 1937 $	Change yr. ago %	Feb. 11 1937 $
Halifax	2,286,175	+10.8	2,197,410
Saint John	1,605,281	—18.5	1,614,916
Moncton	655,905	+11.5	634,453
Sherbrooke	596,054	+21.1	488,797
Quebec	5,154,612	+33.0	3,614,912
Montreal	120,026,630	+ 6.9	103,313,783
Ottawa	13,795,892	—25.0	18,129,792
Kingston	475,301	+10.9	461,161
Toronto	131,735,567	—20.7	119,324,827
Hamilton	4,532,558	+24.7	4,341,242
Peterborough	575,399	+13.9	562,677
Kitchener	1,013,855	+10.3	891,095
Brantford	905,171	+28.7	877,681
London	2,707,260	— 4.7	2,335,490
Chatham	555,202	+35.3	556,264
Windsor	3,429,488	+30.1	2,805,264
Sarnia	419,050	+ 8.0	434,146
Sudbury	909,232	+23.7	931,110
Fort William	763,570	+45.8	832,720
Winnipeg	27,869,133	—28.1	27,504,230
Brandon	258,808	— 4.6	255,064
Regina	2,973,891	+31.6	2,988,764
Moose Jaw	554,342	+31.3	466,256
Saskatoon	1,292,668	+18.7	1,184,262
Prince Albert	285,596	— 2.5	280,368
Edmonton	3,735,274	+29.9	3,340,465
Calgary	7,362,430	+42.3	6,737,674
Medicine Hat	165,919	— 5.3	156,090
Lethbridge	332,560	— 3.4	328,827
N. W'minster	498,304	+12.3	493,131
Vancouver	21,518,833	+26.7	18,276,381
Victoria	1,707,686	+ 9.4	1,659,719

Elect Major W. D. Wilson Landed Banking President

Major W. D. Wilson, D.S.O., was elected president of Landed Banking & Loan Co., Hamilton, at the recent annual meeting. He has been a director for some years. Major Wilson is also a director of Royal Connaught Hotel Co., Hamilton, and of Corporate Investors Ltd., Toronto investment trust.

Major Wilson succeeds Paul J. Myler, Hamilton, who has withdrawn from the board of Landed Banking. The resultant vacancy has been filled by election of Walter S. Burrill as a director. Mr. Burrill is president and general manager of Cosmos Imperial Mills Ltd., Hamilton textile firm. He is also a director of Hamilton Cotton Co. and of Wood, Alexander & James.

Form New Vancouver Firm

G. A. Richardson, F. Keenlyside and C. E. Blossom, Vancouver, have formed a new stock brokerage firm under the name Richardson, Keenlyside and Blossom Ltd.

Staff Changes

The Royal Bank has announced the following changes in staff:

G. H. GORDON, formerly manager at Guantanamo, to be manager at Vedado branch, Havana, Cuba.

C. R. BLAKE, formerly at head office, to be manager at Park & Bernard, Montreal.

I. R. CARLIN, formerly manager at Park & Bernard, Montreal, to be manager at St. Catherine & Bleury, Montreal.

H. LAWRENCE, to be manager at Arntfield, Que.

H. W. FRASER, formerly of supervisor's department, Toronto, to be accountant at Yonge & Bloor, Toronto.

A. D. de VILLEGAS, of Vedado branch, Havana, has retired on pension.

The Bank of Montreal has made the following staff changes:

G. E. W. BARTON, formerly accountant at Richmond, to be manager at Val d'Or, Que.

A. MACKENZIE, formerly of Winnipeg, to be manager at Outlook, Sask.

F. W. WARREN, formerly manager at Outlook, Sask., to be manager at Gladstone.

W. M. COLCHESTER, formerly manager at Gladstone, to be manager at Norwich, Ont.

Canadian Bakeries Recognizes Unions

Canadian Bakeries Ltd. is recognizing union organizations for salesmen and bakers in Vancouver as a result of discussions with the Trade and Labor Council. The main object of the meeting was recognition of unions rather than wages or working hours.

B. M. Colwell, manager of the company's Vancouver plant, states most of the employees will probably now join the union. He commented: "We wanted to be fair to the men and we also looked at the matter from the dollars and cents point of view."

CHARTERED ACCOUNTANTS

RONALD, GRIGGS & CO. Winnipeg
Chartered Accountants Saskatoon

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A. HAROLD A. SHIACH, F.C.A.
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

ROBERTSON, ROBINSON, McCANNELL & DICK
CHARTERED ACCOUNTANTS
D. H. McCANNELL—Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

J. M. Dunwoody, C.A.
C. W. Nicholl, C.A. Thos. E. Saul, C.A.
DUNWOODY, NICHOLL, SAUL & CO.
CHARTERED ACCOUNTANTS
Winnipeg, Man., and Fort Frances, Ont.

T. A. GETTY
Chartered Accountant
Suite 302, Walter Scott Bldg.
Moose Jaw, Sask.

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

McDONALD CURRIE & CO.
CHARTERED ACCOUNTANTS
Montreal Toronto Quebec Ottawa

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Ottawa
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

Legal and Professional Directory

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.,
TORONTO, CANADA

Pitblado, Hoskin, Grundy, Bennest and Drummond-Hay
Pitblado, Hoskin, Turner McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which the Western Australian Bank & The Australian Bank of Commerce Ltd. are amalgamated)
Paid-up Capital £8,780,000
Reserve Fund 6,150,000
Reserve Liability of Proprietors 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1936 . . . . £115,150,000
A. C. DAVIDSON, General Manager.
780 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY.
London Offices:
29, THREADNEEDLE STREET, E.C. 2; 47, BERKELEY SQUARE, W. 1.
Agency arrangements with Banks throughout Canada.

1832 1937

Unusual Facilities

ONE hundred and five years of experience in facing and solving problems in Canadian business have equipped this Bank with unusual facilities for meeting every banking need of to-day. We invite you to consult us about your banking problems.

World-wide facilities in every department of banking

Coast to Coast in Canada
NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC
NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE
36-33

Look at LaSalle!
. . . for the exhilarating performance of a 125 HORSEPOWER V-8

V-8
CADILLAC MOTOR

$1475*
AND UP

This year, countless new motorists can own the finest La Salle of all time

This year, fine car ownership is well within reach of the average buyer. The new V-8 La Salle, at $1475*, has closed the gap between high quality and low price.

Yet the V-8 La Salle, now so easily within your reach, is the finest La Salle of all time. It was designed by Cadillac engineers. It is produced by Cadillac craftsmen. And it is powered by a Cadillac-built V-8 engine that develops 125 horsepower—capable of performance that will exceed your highest hopes.

Look at the new V-8 La Salle and you'll look no further. For beauty, for value, for low upkeep cost, you will find that the V-8 La Salle is the wisest possible choice.

*Monthly payments to suit your purse on the General Motors Instalment Plan. All prices list at Windsor, subject to change without notice. Taxes included. A General Motors Value.

Trade Quieter Despite Peaks In Many Lines

January Business Affected in Part By 5 Sundays in Month

FORESTRY GAINS

For the second consecutive month a slight recession was shown in business operations in January. The Financial Post business index receded to 118.7 from 119.5 in December month under review. The five Sundays in January accounted in part for the decline.

As business operations have shown an upward trend for nearly four years, the Dominion with the present year is entering upon a new phase of the economic cycle. The ground lost from the beginning of 1930 has been practically retraced and the present level of productive operations is as high as at any time in history except for a short period from the middle of 1928 to the early months of 1930.

Prices Major Factor

The price structure has continued strong since the beginning of the year. Commodity prices have shown marked advance since June, 1936. A reaction was shown in a number of speculative commodities in the latter half of January following the rapid advance of the preceding months. The weekly indices for February, however, show that the advance of the general average has been resumed and wholesale prices are now standing at a higher level than at any time since the third quarter of 1930.

Common stock prices were strong in January, reaching a level comparable with midyear 1930. The index in January was 137.4 against 129.2 in December, while the gain over January, 1936, was nearly 22%.

Forestry Output Soars

Among the industries which showed increases in January were the forestry group and primary iron and steel. The production of newsprint was greater than in any other January in history and the seasonally adjusted index also moved up to a new high point over all months. Owing to the advance in the price of pulp exports reached a relatively high level in January exceeding all other records for the month since 1926.

While exports of planks and boards showed a decline from December the outward movement was greater than in any other January since 1923.

Iron and Steel Active

The gain in the production of steel ingots to 115,237 tons resulted in the highest output at this time of year since 1929. January production was in excess of that of any other month since March, 1930.

Pig iron production, on the other hand, showed a decline from the preceding month, but was greater than in any other January since 1930. Imports of iron and steel products also suggesting the level of operations in the durable goods industries were greater than in any other January since 1930.

Auto Factors Mixed

After seasonal adjustment the automobile production showed a gain in January from the preceding month, though output was 19,581 units against 20,411 in December. A lower level was shown for crude petroleum imports. Active operations were indicated for the tire industry, a high level being shown in the output of pneumatic tires in the last month for which statistics are available. The imports of crude rubber were 3,660,000 pounds against 2,673,000 in December.

Foodstuffs Industries Busy

The milling industry was comparatively active in the last month for which statistics are available. The index of flour production moved up from 67 to 84.6. A decline was shown in the production of sugar even before seasonal adjustment.

Returns for the dairy industry were uneven, a gain being shown in cheese production after seasonal adjustment while butter production was at a lower level. The output of the latter in January was 8,825,000 pounds compared with 10,807,000 in December.

Textile Imports Drop

A marked decline was shown in the imports of raw materials by the textile industry. After seasonal adjustment, however, the imports of raw cotton recorded a gain. The increase in the imports of wool was less than normal for the season.

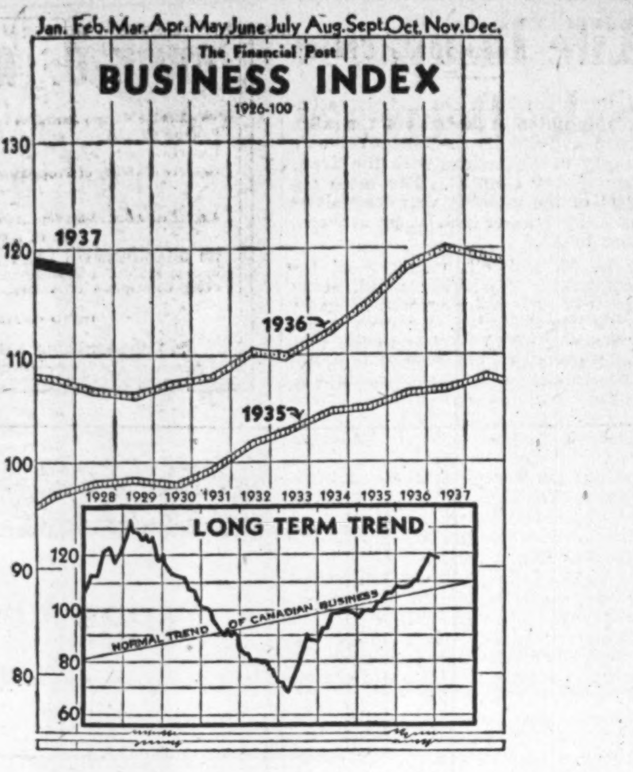
Gains were recorded in January for copper, lead, zinc, silver and coal. Nickel exports on the other hand showed decline from December, but were greater than in any other January in the post-war period. Gold shipments were heavier than in any other January, but a decline was shown from December. The total shipment from Canadian mines was 348,476 ounces as compared with 349,639 in December. Silver shipments moved up from 50.2 to 66.2. Asbestos exports recorded decline from December, the index receding to 79.0 from 99.4.

Construction Quieter

New business obtained by the construction industry was disappointing. The amount of contracts awarded was at the low level of $6,622,000 and the index of building permits on the 1926 base was at 27. The construction index was 37.7 against 40.8 in December.

The index of electric power production moved up to a new high point in history, part of the action being due to greater deliveries to electric boilers and acceleration in exports.

Carloadings were at a relatively high point but showed some recession from December. The railway freight movement was greater than in any January since 1931.



BUSINESS QUIETER

The business index for January in its preliminary form showed a slight recession of about 1% from December. The level, however, exceeded any other January since 1930. A considerable number of factors rose to a new high point in the last 18 years. An excellent showing was made by the forestry and steel groups while electric power production reached a new high. Nickel exports and gold shipments were at a maximum for January in the post-war period. The construction industry was unsuccessful in obtaining a large volume of new business in January and external trade after seasonal adjustment was practically unchanged from the previous month.

MAJOR CANADIAN ECONOMIC FACTORS

	Jan., 1937	Jan., 1936	Dec., 1936	Incr. or Decr. Jan., 1937 to 1936
Financial Post business index	118.7	108.1	119.5	+ 9.8
Wholesale prices	81.3	72.9	79.7	+11.5
Common stock prices	137.4	112.9	129.2	+21.7
Inverted index of Dom. bond yields	154.8	138.1	156.0	+12.1
Bank deposits	$2,230,148,927	2,126,898,104	2,226,752,123	+ 4.9
Bank debits	$3,227,354,600	2,922,068,239	3,404,591,886	+ 7.9
Mineral production:				
Copper exports, cwt.	271,787	191,819	336,255	+41.7
Nickel exports, cwt.	149,944	141,111	160,439	+ 6.3
Zinc exports, cwt.	192,803	184,524	183,369	+ 4.5
Gold shipments, fine oz.	348,476	311,056	349,635	+12.0
Silver shipments, fine oz.	1,103,753	1,239,193	917,286	—10.9
Manufacturing production:				
Creamery butter production, lb.	8,824,793	9,466,296	10,806,926	— 6.8
Cheese production, lb.	1,032,606	1,026,109	1,429,521	+ 0.6
Cattle slaughterings, number	100,049	96,870	112,154	+ 3.3
Hog slaughterings, number	351,365	275,775	412,311	+27.4
Raw cotton imports, lb.	15,189,187	19,939,607	20,842,725	—23.8
Cotton yarn imports, lb.	394,914	430,977	361,611	— 8.4
Raw leaf tobacco releases, lb.	453,589	304,722	393,111	+48.9
Steel ingot production, tons	115,237	100,225	103,952	+15.0
Pig iron production, tons	66,400	61,336	68,499	+ 8.3
Automobile production, number	19,581	13,302	20,411	+47.2
Iron and steel imports $	13,345,068	9,087,668	12,171,960	+46.8
Petroleum imports, gal.	54,639,651	61,131,349	60,569,143	—10.6
Crude rubber imports, lb.	3,656,423	3,938,272	2,673,053	— 7.2
Newsprint production, tons	287,691	201,959	289,312	+42.1
Woodpulp exports, cwt.	1,539,461	1,089,502	1,190,976	+41.3
Exports of planks and boards, ft.	156,913,000	72,236,000	184,104,000	+117.2
Construction: Contracts awarded $	6,622,200	13,610,400	6,118,800	—51.3
Building permits $	1,684,502	1,302,758	3,282,166	+29.3
Carloadings, number	192,464	172,902	205,679	+11.3
External trade: Imports $	51,882,618	40,590,276	52,996,494	+27.9
Exports $	83,416,124	64,744,324	99,406,665	+28.8

C. I. O. Organizers Invade Canadian Labor Field

From Our Own Correspondent

MONTREAL.—Following partial success in the conflict with General Motors Corp., the committee for Industrial Organization — American Federation of Labor outcasts headed by John L. Lewis—has spread its activities into the Canadian labor field.

The C.I.O., which is conducting an industrial union drive in the mass production trades, has already lined up three steel locals in Hamilton under jurisdiction of the Buffalo section of the American C.I.O.

Want Canadian Branch

At their annual convention in Montreal the Amalgamated Clothing Workers of America unanimously recommended formation of a Canadian section of the C.I.O. The convention was attended by 60 delegates from Montreal, Toronto and Hamilton, representing some 6,000 union members.

Steps to get the Dominion C.I.O. going will probably be combined with the clothing industry-wide organization drive decided on by the convention, which also voted financial and moral support to the steel industry unionization activities now concentrated in Hamilton.

Reports from the Maritimes are that representatives of the American C.I.O. have been actively campaigning in that area with some measure of success.

Beatty Enlarges On Wage Decision

C. P. R. President Tells Workers of Reasons for Pay Increase

From Our Own Correspondent

MONTREAL.—In a message to all employees working under wage agreements, Sir Edward Beatty, chairman and president, Canadian Pacific Railway, sets forth the factors leading up to the majority report of the MacLean Conciliation Board on Railway Wages. "I consider I owe it to you at this time," said Sir Edward, "to bring to your notice for your information some of the important features of the majority report made by the board after its consideration of the evidence placed before it."

His statement reviewed the factors which led the board to turn down the demand of 117,000 organized railwaymen for immediate restoration of the 10% deduction in their wages instituted in 1931. Instead the board recommended reduction to 7% before the end of this year.

Accept Board's Advice

Managements of both Canadian National and Canadian Pacific lines have already accepted the board's advice, thereby augmenting February pay cheques of both union and non-union workers by restoration of 1% of the wage cut. Additional 1% restorations will be paid in August and November.

Only definite assurance of improved economic conditions and prospects of increased railway revenues would justify the rise in operating costs necessary to grant the union's broader demands, Sir Edward concluded.

Recapitalized

Brewers and Distillers Capital Condensation Alters Figures

Judging from letters coming to The Financial Post, holders of shares of Brewers and Distillers of Vancouver are somewhat at a loss in calculating the statistical position of their holdings because of the recent change in the capitalization.

Investors who held the old shares of $5 each in 1927 received five new shares of no par value for each of the old shares in 1928. Now the shares have been changed back to a par value of $5. The holder, however, gets one of the new $5 shares for each 10 shares. The net result is that the holder of two shares of $5 each in 1927 now has one $5 share.

Recalculated Figures

Earnings, dividends and equities per share for recent years, recalculated on the basis of the latest capitalization, are as follows:

Brewers and Distillers Figures
(On per share basis)

Year	Earnings $	Dividends $	Equity $
1929	1.53	1.50	10.60
1930	1.53	1.50	12.20
1931	*.13	...	12.10
1932	.15	...	12.10
1933	.14	1.00	10.20
1934	.29	...	9.90
1935	.57	...	9.50

*Deficit.

Exchange of Fractions

A distribution of $1 a share was made on the new stock on Feb. 1, 1937. It is not payable on fractional shares, which, however, may be changed into full shares to receive the distribution up to April 30.

As to market values, the highest on record was $20 a share in 1928, which is equivalent to $40 a share for the present stock. The price of $3.85 a share in 1933, is equivalent to $38.50 for the present shares. The low of 55 cents reached in 1933, 1934 and in 1935, is the same as $5.50 a share for the present capital.

Newsprint Exports Up Sharply for January

From Our Own Correspondent

MONTREAL. — Canada's newsprint exports in January amounted to 5.2 million cwt., valued at $9.3 millions. This contrasts with shipments of 3.7 million cwt., valued at $6.3 millions during January last year.

United States was Canada's principal customer for newsprint in January, with purchases of 4.4 million cwt., followed by Australia with 346,037; Japan, 97,460; Argentine, 80,044; British South Africa, 30,549; Cuba, 29,569; Mexico, 28,578. There were 23 additional markets.

Gold, Power Rise Together In the North

Ontario Hydro Notes "Very Remarkable" Expansion

POWER AIDS MINES

One of the outstanding features of the operations of the Hydro-Electric Power Commission of Ontario during the past year has been the "very remarkable increase" in the use of electric energy in the gold mining and milling industry in northern Ontario, states T. Stewart Lyon, chairman of the Hydro Commission.

Under a subheading "Northern Demand Grows," Mr. Lyon describes power developments in northern areas in The Bulletin, official Hydro publication, as follows:

Mining Development

"Progress in the north, where electric energy is supplied to mines, paper mills, smelters and domestic consumers by power developments and by transmission systems owned by the people of Ontario, and operated by the Hydro-Electric Power Commission, under authority of the Government, as the people's trustee, has been very marked during the past 12 months. Generating capacity at the Ear Falls plant has been doubled, and a large increase will shortly be brought into use at the Rat Rapids development. Construction of a line from the Nipigon River plants of the Thunder Bay System into the Little Long Lac district will proceed throughout the winter, and ample supplies of power will be available early in the summer for the exploitation of the spectacular discoveries in the Little Long Lac gold field.

Importance to Mines

"There has been a very remarkable growth in the use of power from Abitibi Canyon development, which is now supplying, under firm contracts, 65,000 h.p. for mining and metallurgical operations. The reduction in the cost of power in the mining districts, because of the entry of the Commission into the field, has assisted greatly in the development of properties containing large quantities of 'marginal' ore. Much of this ore was of a grade too low to be mined and milled profitably when gold was worth $20 an ounce and power cost the operator $50 per h.p. per year for long-term contracts. Gold at almost $35 and power at from $32.50 to $35 per h.p. per year have changed the picture to an extraordinary extent.

Thousands Employed

"Thousands of men are employed now in preparing properties for production on a great scale that could not have been operated at the former price of gold and of power. We look for an extension of this development that will enable us to utilize to the profit of the people of Ontario practically all the available power provided by the Canyon development.

"A considerable proportion of the output from this source of power supply is now being utilized under electric steam boilers, to provide steam for important paper mills in the North, which, if this surplus power were not available, would have to spend great sums for coal and its transportation."

Seed for Quebec

CALGARY. — On behalf of the Quebec Government, the Calgary office of the Dominion Seed Branch has ordered 50,000 bushels of No. 1 seed oats from growers in the Peace River area. Delivery will start March 10, at an unannounced prace.

Canada Urged To Safeguard Empire Trade

British Columbia Dependent on Preferential Market, MacMillan Says

By H. R. MACMILLAN

President of H. R. MacMillan Export Co. and British Columbia Fishing and Packing Co.

From a speech given to the Vancouver Board of Trade.

Industry of British Columbia, even agriculture, depends for its existence on export trade.

Of its lumber output the province last year exported 67%, 80% of which went to protected Empire markets. Only 5% of the plywood products of the province were sold within its border and only 2% of its fish. Seven per cent of British Columbia newsprint was sold in Canada. The balance was shipped to outside markets. The entire output of its base metal mines was sold outside the Dominion while 90% of its apple crop was exported. These are only a few of hundreds of examples which could be cited to show to what extent British Columbia is dependent on export trade, and, what is more important, how much she is dependent on her only protected market, the British Empire.

The extent of this protection can be seen when one realizes that the United States is of more use to Australia as a market than is Canada; that the Baltic states and the United States are of more use to the United Kingdom as a market than Canada and that the United States is of more use to South Africa.

Others Seek Privileges

This means that if we do not fight for and contribute to the common defense of British Empire markets, there are those who, seeking benefits now ours, will show us up.

If we do not buy from the people we sell our goods to and contribute to defense of that Empire from which we live, what are our deserts? We cannot continue to live in the privileged position of preferential markets, as at present, if we don't try to make ourselves more valuable to the markets which now buy from us liberally.

We have no monopolies in these markets, where we are exposed to competition everywhere. Foreign market conditions affect everyone gainfully employed in the province, and any decline in revenue from export sales means decreased buying power passing along the line to laborer, capitalist, butcher, grocer, baker, milkman, machinist, merchant, doctor and civil servant.

Our export industries are almost the sole primary source of Government revenues. This situation is particularly true in British Columbia, where agriculture is almost entirely secondary, dependent upon feeding those directly or indirectly engaged in serving export industries.

Survival of Industries

The first duty of the British Columbia Government must be to ensure survival of these industries by conservation and by seeking the best utilization of resources. In the second place it must hold the balance between capital and labor to see that neither exploits the other.

Having in mind the big programme of social legislation already adopted by British Columbia it might perhaps be a good thing for the province to digest this programme well before swallowing more.

The average annual income in British Columbia is the highest in Canada, 50% above the average, indicating that the division here favors labor more than elsewhere.

Employers of Labor

After all, money invested in private industry becomes an employer of labor and must be protected against overtaxation. Money paid out by Governments on public works employs labor only until these works are completed. Capital invested in a company provides for a permanent payroll so long as that company is in existence.

The needed capital, here as elsewhere, is in the hands of those who study critically our community actions, legislative habits and attitudes and speeches of our elected representatives. Production and employment here spring from large fixed capital investments, which are beyond individual resources. Because we have been slow to accumulate investment capital in British Columbia, as unusually large proportion must be brought from outside the province and tied up in land, machinery and buildings beyond recall for 10, 15 or 20 years. We must so conduct ourselves as to encourage this fluid capital to enter the province in order to keep our industries operating.

U. S. Advertising Linage Moves Ahead in January

From Our Own Correspondent

MONTREAL.—Advertising linage in 52 representative American cities, as compiled by Media Records, Inc., and published by Editor and Publisher, showed an increase of 5% last January compared with the same month a year ago. This showing is considered as exceptionally good in view of the number of adverse factors affecting advertising, such as the Ohio flood and General Motors strike.

Display advertising last January totalled 78 million lines, as against 76.3 million lines a year ago. Classified advertising amounted to 21.5 million lines, an increase of 16.3% over that reported in January, 1936.

The break-down of returns shows that retail, departmental store, and financial advertising last January was heavier than a year ago, while decreases were recorded for general and automotive advertising.

No Beauharnois Contract With Hydro, Says Roebuck

That there is no possibility of purchase by the Ontario Hydro-Electric Power Commission of power from Beauharnois interests, is the view expressed by Attorney-General Arthur W. Roebuck.

Principal objections to the purchase of power from Beauharnois, he said, were that the power was not needed, and purchase from private sources would delay for a decade development of power under public ownership in Ontario.

The Wawanēsa Mutual Insurance Company
Canada's Largest Fire Mutual
A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.
FIRE. WINDSTORM. AUTO. CASUALTY

FIRE - MARINE - PLATE GLASS
1807
EAGLE STAR & BRITISH DOMINIONS
INSURANCE COMPANY LTD., of LONDON ENGLAND
HEAD OFFICE FOR CANADA
217 BAY STREET, TORONTO
Manager . . . . . J. H. RIDDEL
Ass't Manager . . V. G. CREBER
DALE & CO., LTD., General Agents
Toronto Montreal Halifax
E. L. McLEAN, LTD., General Agents
Toronto

THE STERLING TRUSTS CORPORATION

Balance Sheet, December 31st, 1936

ASSETS

CAPITAL ACCOUNT:		
Office Premises and Real Estate held for sale	$ 192,667.93	
Mortgages and Agreements	430,717.01	
Bonds and Stocks	42,989.16	
Loans to Estates and Trusts	89,437.77	
Accounts Receivable	13,800.99	
Deposit Vaults and Furniture	18,023.78	
Cash on Hand and in Banks	63,076.71	
		$ 850,712.75
GUARANTEED ACCOUNT:		
Mortgages	$1,412,911.71	
Government and Municipal Bonds	185,689.64	
Cash on Hand and in Banks	64,619.24	
		$1,663,220.59
ESTATES, TRUSTS AND AGENCIES:		
Investments and Assets held	$9,915,919.79	
Cash on Hand and in Banks	93,481.57	
		$10,009,401.36
		$12,523,334.70

LIABILITIES

CAPITAL ACCOUNT:		
Capital Paid Up	$ 790,085.43	
Reserve	25,000.00	
Reserve for Dominion Taxes	1,140.00	
Accounts Payable	1,247.87	
Dividend Payable 2nd Jan., 1937	7,900.85	
Profit and Loss	25,338.60	
		$ 850,712.75
GUARANTEED ACCOUNT:		
Guaranteed Trust Certificates	$ 1,337,215.49	
Trust Savings	326,005.10	
		$ 1,663,220.59
ESTATES, TRUSTS AND AGENCIES		$10,009,401.36
		$12,523,334.70

PROFIT AND LOSS ACCOUNT

Balance brought forward from 1935	$10,689.40	
Net Profit for year	29,710.39	
		$40,399.79
Appropriated as follows:		
Reserve for Taxes	$ 4,606.43	
Reserve for Depreciation	2,553.91	
Dividend payable January 2, 1937	7,900.85	
Balance carried forward to 1937	25,338.60	
		$40,399.79

W. H. Wardrope, K.C.
President

Charles Bauckham
Managing-Director.

Nothing . . .
can hold back the dawn

A new day breaks, just as surely, for the person who has contracted with a life insurance company for an income to replace his earnings when they are cut off by old age, disability, or death.

Think of the mental comfort to be gained by making sure there cannot be such a thing for you as (1) a penniless old age, (2) no pay days if disabled, (3) your family without food and shelter should you die!

Let a London Life representative show you how to make your future secure and at the same time release money for fuller enjoyment of the present.

Established 1874
London Life
Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE • LONDON, CANADA

The Sixty-Fifth Annual Financial Statement and Auditors' Certificate

THE ECONOMICAL MUTUAL FIRE INSURANCE CO.

For the Year Ending December 31st, 1936

ASSETS

Book value of Real Estate owned or held for sale	$ 58,636.37
Mortgage Loans on Real Estate, first mortgages	832,782.88
Agreements for sale	5,549.22
Amount of loans secured by stocks	2,000.00
Book value of bonds and debentures owned*	1,188,185.12
Book value of stocks owned**	69,949.33
Cash on hand and in bank	50,481.71
Interest due and accrued	25,223.57
Rents due	533.28
Agents' Balances written on or after Oct. 1st, 1936	46,174.20
Amount due from Reinsurance on losses already paid	11,066.78
	$2,290,582.46

* Market value $1,152,337.14
** Market value 27,900.00

LIABILITIES

Total Provision for unpaid claims	$ 12,340.63
Total net reserve carried out at 80%	213,951.30
Reserve and unpaid losses under unlicensed reinsurance, unsecured	46,242.42
Taxes due and accrued	7,901.37
Reserve for loss on investments	87,897.31
Special Reserves	8,133.32
	376,466.35
Surplus for protection of policyholders	1,914,116.11
	$2,290,582.46

CERTIFICATE OF AUDITORS

To the President, Directors and Members of The Economical Mutual Fire Insurance Company.

Gentlemen:—We certify that we have made a continuous monthly audit of the books of account and vouchers of The Economical Mutual Fire Insurance Company for the year ending 31st December, 1936; that in our opinion the above balance sheet is properly drawn up so as to exhibit a true and correct view of the company's affairs as shown by its books and other information supplied us, and that all our requirements as auditors of the company have been complied with.

Respectfully submitted, Scully & Scully, Chartered Accountants; J. A. Law, Auditors.

Dated at Kitchener, Ont., January 13th, 1937.

Health Insurance Battle

Hon. G. M. Weir Refuses to Leave B. C. Arena — Will Not Abandon Goal Despite Forced Delay — Further Compromise Suggested

From Our Own Correspondent

VANCOUVER. — Like the man who built his launch without making allowance for the engine, British Columbia put a health insurance scheme on the statute books without getting an assurance of co-operation from the medical men. And now health insurance is stranded, high and dry, with only the most optimistic venturing opinions as to when it will become operative.

Optimism has been the guiding force behind health insurance ever since it was initiated in British Columbia—optimism as to its results and its reception by the public. But there has been more to it than optimism. There has been stubborn resolution on the part of a small group who, sure of their ground in their own minds, have committed themselves to the policy of health insurance and intend to fight for it to the end.

Man Behind Bill

Spearpoint of the health insurance front is Dr. George M. Weir, Minister of Health. It was Weir and no one else who virtually rammed the health insurance bill through the Legislature, turning aside all opposition—and there was plenty of that —by sheer determination. And now, having put health insurance through the Legislature, Dr. Weir, with characteristic tenacity, refuses to give ground, even when faced with certain deadlock.

Refusal of the medical men to work with the health insurance commission, because they are irrevocably opposed to any measure making no provision for the care of indigents, has made it clear to most people that effective enforcement of health insurance in British Columbia is out of the question for some time. There has been a storm in the cabinet, and this reached such fury that Hon. John Hart, Minister of Finance, rushed East to ascertain the attitude of Premier T. D. Pattullo on the issue. Mr. Pattullo had been in the East, seeking unemployment loans and other matters. Mr. Pattullo, according to a published interview, is standing behind Dr. Weir for health insurance, but even he admits that enforcement will have to be delayed. Collections under the plan were to have started March 1; payment of benefits by March 28.

Must Compromise

Dr. Weir has made it clear that, in any event, he will not resign.

"I would rather face the electorate and be defeated than stay in the cabinet and see health insurance abandoned," he said. "We will have to compromise."

As a matter of fact, there has been a good deal of compromise on the health insurance measure already. The plan that is now on the statute books is a very different proposition from that originally offered by Dr. Weir. Health insurance was always a contentious issue, and to ensure its passage through the legislature in any form at all there had to be a good many amendments, some of which admittedly weakened the plan.

"It should be remembered," says Dr. Weir, "that to meet the medical men's opposition the upper limit for those eligible under the act was reduced last year from $2,400 to $1,800. Frankly I believe this was a mistake."

Dr. Weir is still convinced that the B. C. Act, such as it is, is more comprehensive than the National Health Insurance Act of Great Britain; that it is superior to the health insurance programme of various large British Columbia industries; that it represents a long step in the direction of progress.

Newcomer to Politics

A comparative newcomer to politics, Dr. Weir has spent a good many years in the public life of British Columbia and Canada. Some years ago he made a national health survey of the Dominion for the Medical Association of Canada and the Canadian Nurses Association. His choice for that work was due to his success previously in conducting a far-reaching educational survey in British Columbia. He also made an investigation of the separate school question.

Considered one of the first half dozen education authorities in Canada, Dr. Weir is a son of Manitoba and a McGill graduate, winning degrees subsequently at the University of Saskatchewan and Queens.

After teaching school for some years in Saskatchewan, he was appointed to head the department of education at the University of British Columbia, and he had served there for a decade when he was persuaded to campaign with the Pattullo forces in the election of 1933. He led the polls at Vancouver-Point Grey and was made Minister of Health and Education.

A hard worker, Dr. Weir is regarded as one of the sincerest men in British Columbia's public life today and one who takes his job very seriously. His administration of the Department of Health and Education has been marked by efficiency, but he lacks the diplomacy and flair for conciliation that distinguishes the successful politician.

High in Masonry, Dr. Weir finds time for Rotary and other activity in community life. But he despises bridge and gave up golf after playing his first 18 holes. But he does like hiking, and once he starts for the top of a mountain he is impatient when anyone suggests a rest. Having set a goal for himself, Dr. Weir's whole purpose is attainment. Health insurance happened to be one of his goals.

Weir Determined To Reach Goal

Announcement from British Columbia that enforcement of the Health Insurance Act, first compulsory state medicine scheme in North America, would be deferred indefinitely, has not ended the battle which the sponsor of the plan, Hon. G. M. Weir, has waged to reach his goal. In the accompanying article, Dr. Weir is quoted as insisting that a compromise must be reached and that he has no intention of resigning from the Cabinet as a result of the issue.

Dr. Weir last week, received definite orders from Premier Pattullo that the Act was not to go into force on the date arranged, March 1.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Portage la Prairie Mutual

I would appreciate any information you could give me on the operations of the Portage la Prairie Mutual Insurance Co. What lines of insurance does it write and in what provinces does it operate?

The Portage la Prairie Mutual Insurance Co. now confines its operations to the territories west of Fort William, Ont. In May, 1936, its business in eastern Canada was acquired by the Wawanesa Mutual Insurance Co.

Until a relatively few years ago, the Portage la Prairie operated a purely provincial farm fire business with headquarters in Manitoba. In 1930, the company obtained a federal charter and immediately afterward expanded its business into central and eastern Canada. The lines of business carried were also extended to include automobile, casualty and general fire fields.

The results of this expansion were not very successful, and in 1935 the company embarked upon a policy of restricting operations to fire and windstorm risks. All casualty lines were either cancelled or reinsured.

With the company's business once more confined to writing fire and windstorm insurance in the western provinces, it is expected that considerable improvement in underwriting experience will be encountered.

Debt Adjustment Plan Hits Hail Association

Tax Arrears Cancellation May Cost Association $2 Millions

Cancellation of tax arrears in Saskatchewan's drought areas will cost the Saskatchewan Municipal Hail Association about $2 millions, it is estimated by directors of the association.

Hail insurance premiums on properties covered by the association are collected with taxes. A flat assessment per acre is charged those farmers who have indicated their desire to be included in the insurance project and this is simply added to, and paid on the same basis as, taxes. It follows, therefore, that if tax arrears are cancelled, as called for under the terms of Saskatchewan's debt adjustment programme, so will the levy for insurance premiums.

Deducted from Reserves

At the annual meeting of the association, the directors' report stated that the proposed cancellation of arrears amounts to about 60% of the association's uncollected hail taxes and will materially affect its finances. It is further stated, however, that it will be taken care of by a straight reduction in reserves, which at Jan. 30, 1937, amounted to $4 millions.

In other than drought districts, consideration will also be given to those who have been unable to keep up to date with tax payments. Credits will be given of all or a portion of one year's taxes, the amount being determined on the arrears appearing in the 1937 roll. If no arrears are brought forward, the credit will be equivalent to the 1934 taxes; if one year is owing, 80% will be allowed; and if two years, 60%.

May Effect Rates

It is stated that this plan will affect the amount which will be collected in cash during the next four years, and may have some effect on the rates to be charged in the future where credits are given.

The financial statement of the association for 1936 shows the levy at $675,322.56 with the loss figures for the entire season at $211,919.14. The indemnity is the lowest in 24 seasons of operation by the association and the crop rate was the lowest on record.

Total acreage insured at the start of the year was 6,286,176 and the total insurance carried was $25,144,704. This was reduced by cancellations to 5,402,052 acres and the insurance carried consequently was reduced to $21,608,209.

In the past seven years, 1930 to 1936 inclusive, the association paid out $1,750,000 more in claims and expenses than was received in the collection of taxes. From 1919 to 1936, the company has paid approximately $19,500,000 in settlement of claims.

Vancouver's Fire Rate Is Reduced to 37 Cents

The city of Vancouver is now paying only one-sixth the amount it paid six years ago for fire insurance. Recently the city council placed three-year coverage at a rate of 37 cents per $100. This almost halves the 70-cent rate which has been in effect for the last three years, which, in turn, was a reduction from $1.69 in the preceding period. Up to that time the city had paid $2.32 per $100.

Sixty per cent of the business will be written by Northwestern Mutual Fire Association and the balance will be distributed between not more than five other Canadian or British companies.

Floods Along Mississippi Mean Much Roadwork

The flood damage to the highways in the United States mostly in the Ohio and Mississippi River area is very roughly estimated by the Washington authorities at $25 millions. Slightly more than half of this, it is believed, has occurred along Federal erected roads and it is believed will be made good by the Washington authorities.

United States Losses Lower

January fire losses in the United States, as compiled by the national Board of Fire Underwriters, amounted to $25.1 millions, a decrease of 9.6% from the total in January, 1936.

FIDELITY
Insurance Company
of Canada
TORONTO

Fire and Windstorm INSURANCE

Over Half
A Century of
"Service with
Security"
Est. 1884

PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY

DIRECTORS and OFFICERS

JAMES McKENZIE
P. D. McARTHUR
ROBERT McDERMOTT
JOS. TRIMBLE
D. L. CAMPBELL, M.L.A.
E. D. ALDER
A. SULLIVAN, K.C.
E. H. MUIR, Vice-President
M. G. TIDSBURY, President
A. H. THORPE, Mgr.-Secretary
A. G. HALL, Treasurer

Branches: WINNIPEG, REGINA, CALGARY

The PORTAGE LA PRAIRIE
MUTUAL INSURANCE COMPANY
PORTAGE LA PRAIRIE MAN.

Mutual Reports On Rating Plan

Federal Hardware is Not Worried By Demand For Clean-up

Whatever action is taken as a result of Ontario Insurance Superintendent H. D. McNairn's demand for a clean-up in the fire and casualty insurance business, it is unlikely that it will affect the Federal Hardware & Implement Mutuals, F. B. Dalgleish, Canadian chief agent, told members of the Ontario Retail Hardware Association at their annual convention last week.

"Due to the somewhat upset conditions of the fire insurance field in the past few years, we were forced two years ago to set up our own rating department, and I am glad to tell you that this is working out very successfully.

"At present there is a movement on foot, instituted by the superintendent of insurance for this province, toward a review of fire insurance rates, but from the information given out in the papers so far, he is asking the insurance companies to do what we have been doing for years, and that is, give credit to those risks that are producing lower losses."

No premiums written in Canada by the three companies for which Federal Hardware & Implement Mutuals is Canadian underwriting agency, Minnesota Implement Mutual Fire, Hardware Dealers Mutual Fire, and Hardware Mutual Fire of Minnesota, were about the same as in 1935, about $875,000. Loss experience was considerably improved, however, and the ratio of losses to premiums written was 26.14%, which compares with 46% in 1935.

Assets of the three companies increased by almost $2,400,000 and surplus by $962,000. The total volume of premiums written by the companies advanced $1,415,000.

New Licenses

Acadia Fire Insurance Co. has been granted a certificate of registry by the Federal Department of Insurance, authorizing it to transact personal property insurance in addition to the classes for which it is already registered.

Metropolitan Revises Scale Of Dividends

Distribution on Many Policies Will Be Increased

MOST HIGHER

Because of continued low interest rates the Metropolitan Life Insurance Co. has prepared a new basic scale for ordinary dividends, stated F. H. Ecker, chairman of the board at a recent conference of United States' and Canadian managers.

The revised schedule will be based on the excess of 3.75% interest over the 3% and 3½% required to maintain reserves. Other modifications have been made so that the dividends payable on individual policies in 1937 will be higher or as high as amounts paid last year, with the exception of dividends on certain term policies, single premium policies and the first dividend payable on limited payment life policies after becoming paid up.

Interest Important Factor

"It has been necessary to reduce dividends on single premium policies becase the interest factor has a more important effect on the dividend on such policies," Mr. Ecker explained. "Excess interest on supplementary contracts and dividends at interest will be the same as last year."

Total admitted assets of the company at the year end stood at $4,494.7 millions, an increase of slightly more than 6% during 1936. Investments in Canada are carried in the financial statement at $210.2 millions. In addition to this amount, real estate and mortgage loans outstanding were $24.1 millions, bringing the total investment in the Dominion, exclusive of policy loans and premium notes, to $234.3 millions. Deposit maintained with the Dominion department of insurance now stands at $219.6 millions.

One-Eighth of World's Insurance

President L. A. Lincoln estimates that insurance in force of the Metropolitan represents about one-eighth of all the life insurance in the world. On Dec. 31, 1936, the Metropolitan's policyholders numbered 28,420,000 individuals holding 42,990,000 policies. This compares with figures of 27,578,000 and 42,165,000, respectively, a year previously. The totals exclude annuitants and holders of accident and health policies or certificates.

Dominion Life Income Is Up

Total of $7.7 Millions Reported on Year's Operation

An increase of 62% in the surplus of Dominion Life Assurance Co. in 1936 was reported by Ford S. Kumpf, president, at the annual meeting held at Waterloo recently.

Total income increased 10.1% in 1936 to $7.7 millions, insurance in force rose 5.6% to a total of $164 millions, total assets rose 8.6% to $33.7 millions.

Mr. Kumpf also drew attention to the sharp decline in lapsed and surrendered policies. He said: "In 1932 the insurance written off our books through lapsing of policies amounted to $8.7 millions. In 1933 this figure was less by over a million dollars. In 1936 it dropped to $5 millions.

George A. Dobbie, of Galt, vice-president, said that of $12.1 millions of assets represented by bonds, debentures and stocks, 27%, or $3.3 millions was in Dominion or guaranteed bonds. About 36.5% of this total was in public utility bonds and 25.2% in industrial bonds. Of this $12 millions of securities, only $365,000 was in a class not regularly paying coupons. Of this amount, $179,000 is in bonds of one of the power companies whose contract with the Ontario Hydro was cancelled. Mortgages and agreements of sale totalled 38.8% of total assets.

United States Building Continues to Expand

January figures of housing construction in the United States have started off well with the total more than 125% above the same month last year.

In the 37 states east of the Rockies home building had the biggest January since 1929 with slightly under $80 millions in contracts and orders.

Founded 1880

"HEAVY DAMAGES, M'LORD!"

As the lawyer addresses this plea to the Bench, the Defendant, however innocent, may well congratulate himself on having secured complete insurance covering from a thoroughly dependable company. He may well thank the agent who "sold" him.

THE EMPLOYERS'
Liability Assurance Corporation
Limited of London, England

MONTREAL TORONTO
WINNIPEG CALGARY VANCOUVER
FIRE — AUTOMOBILE — CASUALTY

New Brunswick Introduces Act

Legislation for the "control and regulation" of insurance will be introduced in the New Brunswick Legislature this session, it was intimated in the speech from the throne last week.

While the bill has not yet been brought down, it is expected that it will embody an insurance act closely following the existing legislation in most of the other provinces. Uniform legislation has been adopted by all provinces except Quebec in respect to life, fire, automobile and accident and sickness insurance contracts. The form of the New Brunswick legislation will probably follow closely that now in effect in the majority of other provinces in respect to licensing of companies and appointment of one of its law officers as superintendent of insurance.

Following the Privy Council decision of 1931, which in effect determined that jurisdiction in insurance matters rests with the provinces, a number of the provinces amended their insurance acts to bring them into line with the rulings then handed down. Since that time all provinces but Nova Scotia and New Brunswick have enacted covering amendments to their acts.

Insurance Company Reports

Economical Mutual

Assets of the Economical Mutual Fire Insurance Co. increased by $145,000 to $2,290,582 during 1936, the recently released annual statement shows. Net premium income during the year amounted to $308,156. Losses totalled $108,350, giving a loss ratio of 35.2%.

Feature of the mutual's balance sheet is an increase of $124,000 in surplus account, bringing the total at the year end to $1,914,116. This is reflected among assets by increases of $63,000 and $53,000 respectively in bonds and mortgages and a smaller increase in cash. Agents' balances are also somewhat higher than a year ago. Market value of investments is materially lower than the values carried in the company's statement. Bonds, for example, are shown at $1,188,185, having a market valuation of $1,152,337, and stocks, shown at $69,949, are currently quoted at $27,900.

Canadian Fire

After all expenses, provision for reserves and 8% dividends, operations of the Canadian Fire Insurance Co. in 1936 resulted in addition of $30,773 to surplus account, which now stands at $817,211.

Premium volume recorded a moderate advance during the year, with losses rising in about the same proportion. As a result the ratio of losses incurred to net premiums earned was 34.8%, practically unchanged from the 1935 ratio. Expenses comprised 47.8% of net written premiums, fractionally higher than in the previous year.

Assets of the company increased $62,000 during the year to $2,754,325, almost half of which is in bonds and stocks. These are carried in the statement at $1,312,925, which represents book value less $59,604, investment reserve. In turn book value as shown is $147,260 more than the market at the year end.

Reserves of the company now stand at $591,903, of which $463,416 has been set aside for unearned premiums. In addition, funds of $285,954 are held as a reserve for unearned premiums of reinsuring companies.

Comparative figures on operations are as follows:

	1936	1935
	$	$
Gross prem. income ...	854,383	814,890
Net prem. income	662,761	625,534
Loss ratio (earned)	34.8	34.5
Expense ratio*	47.8	47.6
Assets	2,754,325	2,692,016
Free surplus	817,210	786,438

*Before government license fees and taxes which were 7.7% of premiums written in 1936 and 7.1% in 1935.

Mount Royal Hotel Plans Modernizing Programme

From Our Own Correspondent

MONTREAL.—An extensive programme of modernization of the furnishings and equipment of the hotel will be necessary, J. Alderic Raymond, president, told shareholders of the Mount Royal Hotel Co. at their annual meeting. He also voiced the hope that the Government would take prompt and adequate action to improve the roads in Quebec, in order to attract a greater number of tourists. The report for 1936 was adopted and the shareholders re-elected.

Life Insurance Sales Decrease

January Total 16% Below Level of Last Year

Faced by a $3.6 millions decline in Ontario, life insurance sales in Canada and Newfoundland during January were at the lowest ebb for that month in the last three years.

The total of $28,764,000 was 16% under that in the first month of 1936. Reduction from the previous month's sales was even more marked, the percentage decrease amounting to 22%. A portion of this is attributable to seasonal factors, but the decline for January was much greater than normal.

Almost all provinces registered lower sales in comparison with a year ago, although Prince Edward Island and New Brunswick proved notable exceptions. Figures for the former show an increase of almost 75%; those of the latter, 16%. Newfoundlanders were also heavier buyers of insurance this January. Compared with December, all provinces of the Dominion and Newfoundland show decreases which, with the single exception of New Brunswick, are substantial.

Comparative figures as compiled by the Sales Research Bureau, based on returns from 19 companies writing 90% of business in force, are as follows:

ORDINARY LIFE SALES

(a) Sales by Months, 1934-1937

($ 000's omitted)

	1934	1935	1936	1937
Jan.	27,718	32,988	34,221	28,764
Feb.	29,036	28,716	30,240	
March ...	32,564	31,416	31,664	
April	33,296	28,900	30,147	
May	33,134	27,423	28,977	
June	32,277	32,112	32,277	
July	33,951	32,155	32,573	
Aug.	26,650	26,854	25,011	
Sept.	26,123	26,696	26,966	
Oct.	31,342	30,416	30,092	
Nov.	35,863	35,158	37,813	
Dec.	27,691	36,550	36,904	

(b) Sales by Areas

($ 000's omitted)

	Jan. 1937	Jan. 1936	Dec. 1936
British Columbia ...	2,115	2,454	3,217
Alberta	1,089	1,313	1,631
Saskatchewan	933	1,162	1,474
Manitoba	1,572	1,537	1,888
Ontario	13,161	16,746	15,319
Quebec	7,751	8,869	10,549
New Brunswick	784	675	787
Nova Scotia	970	1,201	1,497
Prince Edward Is. ..	164	94	275
Newfoundland	225	170	267
	28,764	34,221	36,904

United States Sales

United States life insurance sales in January were only slightly lower than in the previous year, according to a report of the Association of Life Insurance Presidents. Total business written during the month was $670.3 millions, compared with $681.5 millions in 1936 and $824.9 millions in 1935. Bulk of the business, $432.8 millions was in ordinary life, with industrial accounting for $195.4 millions and group $42.1 millions.

TEMPERS THE BITTER WIND

Let Come What May

. . . LIFE INSURANCE IS THE SUREST DEFENCE AGAINST THE UNPREDICTABLE STORMS OF HUMAN STRESS AND NEED.

War — Pestilence — Economic Disaster— all have failed to weaken this great co-operative agency of mutual protection. That is why the Sun Life of Canada is so justly proud of its long service to nearly One Million Policyholders who have safeguarded themselves and their loved ones against the calamities common to mankind.

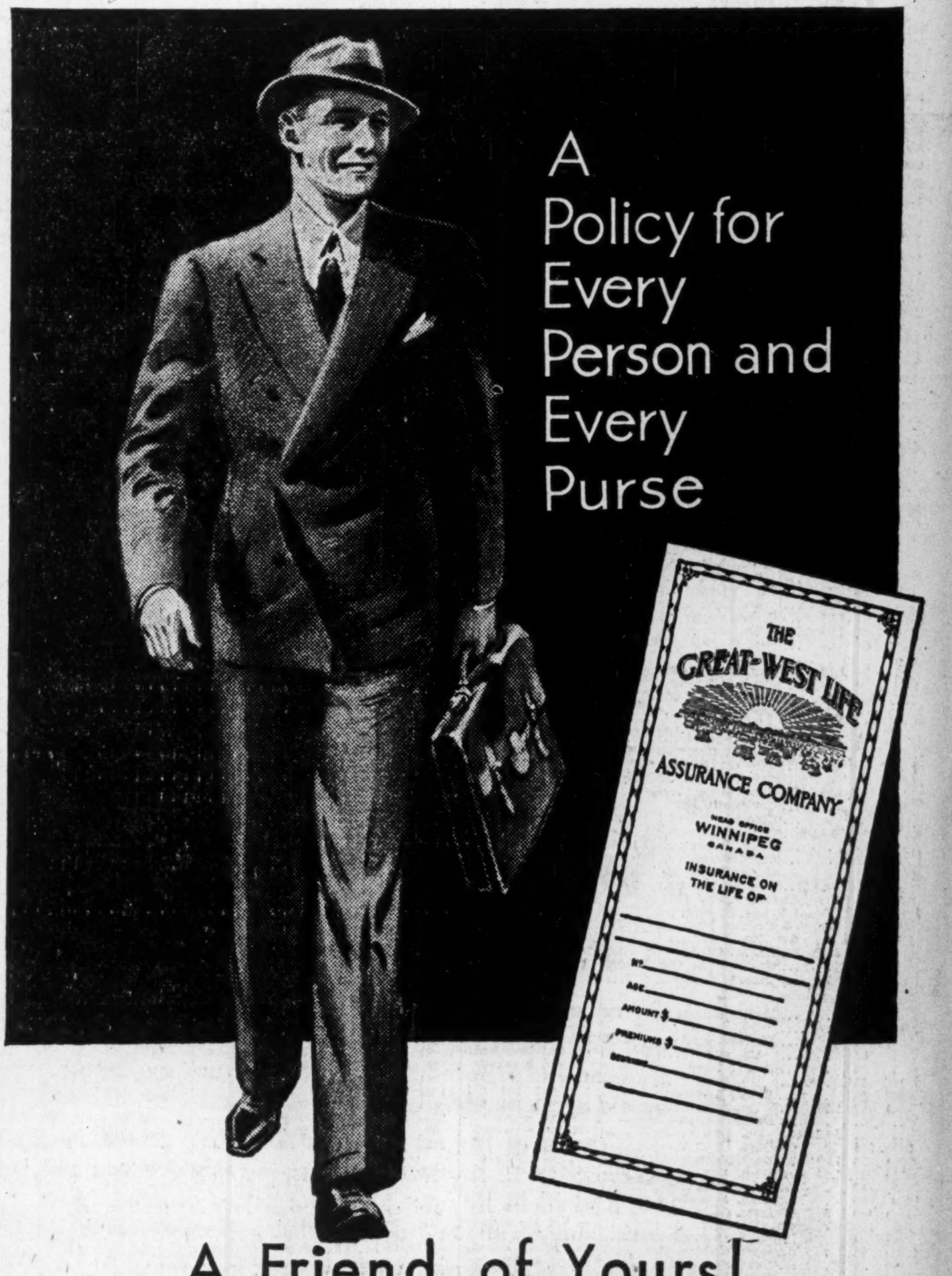
SUN LIFE ASSURANCE COMPANY OF CANADA

Selected Risks mean BIGGER DIVIDENDS for our POLICYHOLDERS

BRANCHES ACROSS CANADA
Vancouver
Kelowna
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax

BY selecting only the highest type of risks this company is able to effect substantial savings for its policyholders, which are returned to them in the form of dividends. In 1935 $1,098,428 were distributed in this way.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non Assessable Policies Assets $6,000,000.


A Policy for Every Person and Every Purse
THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE WINNIPEG CANADA
INSURANCE ON THE LIFE OF
AGE
AMOUNT $
PREMIUMS $

A Friend of Yours!

You can discuss your problems with him with confidence and *in* confidence. —And this can lead to greater confidence in the future well-being of yourself and your dependents. He is a thoroughly-trained Life Insurance man. He offers you the expert services of one of the largest of the famous Canadian life companies. In all financial matters where the future depends upon your action today, he can give you reliable help. He is the Great-West representative. Get to know him.

Branches in all the leading cities of Canada and in the United States

THE GREAT-WEST LIFE ASSURANCE COMPANY

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING FEBRUARY 22

Range 1937 High	Low	Div R'te $	Feb20 Y'ld %		Sales	Last Feb. 15	Week end. Feb. 22 H	L	Cl'se
				A					
10½	6½	.	...	Abitibi	36596	9½	9⅞	7⅞	8⅞
57	41½	.	...	Do. pref. 6%	5379	48½	49	45	47½
85	70	.	...	Do. pref. 7%	....	(— bid 86 asked)			
56	41	.	...	Do. cert. dep.	1035	45	48	46½	47
6⅞	5	10c	...	Acadia Sugar	25	35½	35½	35½	35½
18½	15	50c	3.3	Acme Glove	....	(10 bid 15 asked)			
94	90	6.50	7.2	Do. pref.	10	94	90	90	90
12	8½	40	4.3	Agnew Surp.	260	10	10	9½	9½
110	107	7	6.5	Do. pref.	15	107	108	108	108
7	4½	.	...	Alta. Pac. Gr.	380	4½	5	5	5
43½	28	.	...	Do. pref.	240	34	31	31	31
116	116	.	...	Aluminum	....	(116 Jan. 7)			
6½	5	.	...	Amal. Electric	50	6	6½	6½	6½
31	29	.	...	Do. pref.	10	31	31	31	31
35⅞	33½	60+40c	..	Amer. Cyn. B.	....	(— bid 40 asked)			
54½	53	3.50	6.4	Ang. C. Tel., p.	....	(54 bid 54⅞ asked)			
112	93	.	...	Asbestos	1152	95	102	101	102
14	11	60+25c	..	Assoc. Brew.	1505	12½	14	14	14
110½	107½	7	6.4	Do. pref.	....	107⅞ bid 110 asked			
†8½	7½	.	...	Assoc. T. & T.A.	....	(— bid 8⅞ asked)			
54	54	42c	...	Do. pref.	....	(55 bid — asked)			
102½	102½	.	...	Ault, Wiborg p	....	(100 bid 102 asked)			
				B					
60	57	2.25	3.8	Bank of Canada	165	58	59½	57½	58½
155½	143	8	5.2	Bk. Can. Nat.	119	154½	154½	154	154
245	219	8	3.3	Bk. Montreal	388	238	240	238	240
340	312	12	3.6	Bk. N. Scotia	2	330	320	320	320
270	260	10	3.7	Bk. Toronto	20	266	267	266	266
†13½	4½	75c	...	Barcelona	....	(8 bid — asked)			
20½	17½	.	...	Bathurst Pr.	4937	17½	18½	17½	17⅞
8½	7½	.	...	Do. (B)	621	7⅞	8	7⅞	7⅞
5⅞	3½	.	...	Bawlf Grain	355	4½	3½	3½	3½
38	26½	.	...	Do. pref.	....	(25½ bid — asked)			
10	4⅞	.	...	Beath & Sons	20	4⅞	5½	5½	5½
21½	17½	.	...	Beatty Bros. A.	130	20	20	19	19
107	100	6	5.7	Do. pref.	30	107	107	107	107
10	6½	.	...	Beauharnois	5796	8⅞	8⅞	7⅞	7½
107	107	4	3.7	Belding Cort.	....	(107 Feb. 4)			
130	126	7	5.4	Do. pref.	....	(130 Jan. 31)			
179	156	6	3.6	Bell Telephone	1072	167½	167	163½	163½
16⅞	13½	.	...	Biltmore Hats	6705	15	16⅞	14½	16½
110	110	7	6.4	Do. pref.	16	110	110	110	110
8⅞	8½	.	...	Bissell, T. E.	....	(9 bid — asked)			
50	45	.	...	Do. pref.	5	48½	50	50	50
6⅞	4½	.	...	Blue Ribbon	....	(4 bid 4½ asked)			
40	35	2	5.3	Do. pref.	10	36	37½	37½	37½
26½	25⅞	32½c	..	Brant. Cord. pf.	5	26½	26½	26½	26½
29⅞	18½	40c	...	Brazilian Tr.	94206	25½	29⅞	28⅞	28⅞
9	7½	1•	...	Brew. & Distil.	511	8	8½	7½	7½
4	2⅞	.	...	Brewing Corp.	3170	3½	3½	3	3
20⅞	14½	1.50	8.1	Do. pref.	1370	18	18⅞	18	18
6	6	30c	5	Bright, T. G.	....	(6 Feb. 3)			
†82	75½	6	...	Do. pref.	....	(75½ bid — asked)			
26	22½	80c	3.1	Brit. Amer. Oil	15076	25⅞	26	24⅞	25⅞
19	16	.	...	B. C. Packers	936	16½	19	16	19
39½	37½	1.60	4.1	B. C. Power A.	925	37⅞	39	37½	38½
11½	10	.	...	Do. (B)	740	10½	11	10	11
12	7½	40c	4	Bruck S. Mills.	400	10½	10½	9½	9½
67	56½	1.40+50c	.	Building Prod.	581	64	67	64	67
8	6⅞	.	...	Burry Biscuit	....	(6½ bid 7⅞ asked)			
†75	51	3	4.6	Do. pref.	....	(60 bid 65 asked)			
44½	41½	2	4.8	Burt, F. N.	210	43	43	42	42½
				C					
†120	120	.	...	Calgary Power	....	(120 Sept. 28, '36)			
87	79	6	6.9	Do. pref.	....	(91½ bid — asked)			
10½	8	.	...	Canada Bread	470	8½	8½	8	8½
103	102½	5	4.8	Do. pref.	10	103	103	103	103
59½	51½	62½c	..	Do. pref. B	190	58½	59½	58	58
10½	8½	40c	...	Canada Bud	535	8⅞	9½	9	9
19	15½	.	...	Canada Cement	9228	17	19	16⅞	19
111	103	1	...	Do. pref.	735	107	111	107½	109½
72	67	1.50+2	..	C. & D. Sugar	136	68	72	67	72
b32⅞	27½	.	...	Canada Dry	14700	30⅞	31	28⅞	29
20⅞	18½	.	...	Can. Forg. (A)	200	19	19	19	19
17	14	.	...	Do. (B)	....	(13 bid — asked)			
30	30	.	...	Can. Iron	....	(31 bid — asked)			
66½	66½	3	4.5	Do. pref.	....	(70 bid — asked)			
37⅞	34	1.50+50	..	Can. Malting	1440	37½	37⅞	37	37
29½	26½	1.20	4.4	Can. Nor. Pr.	310	27⅞	28	27	27
112	109	7	6.3	Do. pref.	57	112	112	110	112
96	86	3	3.1	Can. Packers	215	95	96	94	95
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1½	.	...	Can. Paving, pf.	....	(1⅞ bid 6 asked)			
156	146	8	5.2	Can. Perman.	75	154	154	152	152
25	25	.	...	Can. Starch	....	(25 bid — asked)			
†95	95	7	...	Do. pref.	....	(100 bid — asked)			
4	2½	.	...	Can. Steamsh's	125	3½	3½	3	3½
6½	6½	.	...	Do., new	....	(5⅞ bid — asked)			
10	6⅞	.	...	Do. pref.	290	7⅞	7⅞	7½	7½
21	19	1.20	6	Can. Vinegars	150	20	21	19½	20
68	56	.	...	Can. W. Cable	181	65	68	64½	64½
30	19	.	...	Do. (B)	260	29	29½	26⅞	28
115	114	1.75▲	...	Do. pref.	....	(114 Feb. 15)			
6	5½	.	...	Can. Bakeries	15	6	6	6	6
73	67	.	...	Do. pref.	45	70	70½	69	70
211	183	8	3.9	Can. Bk. Com.	216	204	204½	201	201
61½	58	1+75c	..	Can. Bronze	73	60	60	59½	60
109	105½	5	4.6	Do. pref.	10	109	109	109	109
9	8	.	...	Can. Canners	215	9	8½	8	8½
20½	18⅞	.	...	Do. 1st pfd.	900	19⅞	19⅞	19	19½
12½	10½	.	...	Do. 2nd pfd.	1305	11	11	10½	11
21½	18	.	...	Can. Car & Fd'y	7407	18½	19	18	18⅞
32	28	.	...	Do. pref.	1395	29½	29⅞	28½	28½
27⅞	24⅞	40c	...	Can. Celanese	1172	26⅞	26⅞	26½	26½
125	121	7	5.7	Do. pref.	65	122	122	122	122
21½	21	.	...	Do. Rights	40	21	21	21	21
32	29	2	6.9	Can. Convert.	60	30	29	29	29
77	65½	4	5.2	Can. Cottons	125	71	77	75	77
108	105	6	5.7	Do. pref.	....	(105 bid — asked)			
46½	43	2+1	6.7	Can. Dredge	205	45	45	44½	44½
101	101	6	5.9	Can. Fairb. pf.	....	(101 bid — asked)			
32½	28	1.60	5.3	Can. For. Inv.	4775	28	32½	29	31
107	107	8	7.5	Do. pref.	....	(107 bid 112 asked)			
205	150	5	2.4	Can. Gen. Elec.	....	(216 bid — asked)			
11½	9⅞	50c	...	Can. G. Inv.	20	11½	11	11	11
81½	72⅞	.	...	Can. Hyd. E. p.	1295	78⅞	80	79½	79½
8½	6½	.	...	Can. Ind. Alc.	12190	6½	7⅞	6	7⅞
7½	5	.	...	Do. (B)	1410	5½	6½	5½	6½
243	240	3.50	...	Can. Indust. B.	....	(— bid 242 asked)			
5	3½	.	...	Can. Int. I. Tr.	40	4⅞	4⅞	4	4
93½	93	2.50	...	Do. pref.	....	(90½ bid — asked)			
21	19	1	5.1	Can. Lt. & Pr.	....	(— bid 21 asked)			
23	17	.	...	Can. Locomo.	605	18	20½	19	19
3⅞	1⅞	.	...	Can. Marconi	6380	2⅞	2½	2½	2½
	14	50c	3.2	Can. Oil	150	15	16	15	16
	126	8	6.2	Do. pref.	5	131	130	130	130
	14½	.	...	Can. Pacific	4944	16⅞	17½	16⅞	17½
	4½	.	...	C. Pr. & Pa. In.	79	6	6	4½	4½
	18	.	...	Do. pref.	23	21	20	20	20
	12⅞	.	...	Can. Vickers	515	13½	13⅞	13½	13½
	53	.	...	Do. pref.	15	55	55	54	54
	25	1.25	...	C. Wallpaper A	5	30	25	25	25
	25	1.25	...	Do. (B)	284	25	25½	25	25½
	64	2	...	Can. West'ho'se	....	(65 Dec. 6, 1936)			
	2½	.	...	Can. Wineries	250	3	3	2⅞	2⅞
	23	1.50	...	Can. Wire Box	95	24	23⅞	23⅞	23⅞
	7.50	.	...	Capital Estates	269	7.80	8.00	7.75	7.75
	103½	5	4.8	Carnation, pfd.	105	107	104½	104½	104½
	6⅞	25c	...	Catelli Food	351	10	11½	10	10½
	10	75c	...	Do. pref.	10	10½	10½	10½	10½
	150	8	...	Cent. Can. L'n.	....	160½ bid 190 asked			
	1.00	.	...	Chem. Research	6300	1.21	1.17	1.00	1.10
	1.25	.	...	City Gas & El.	15	1.50	1.50	1.50	1.50
	.40	.	...	Claude Neon	450	.70	.70	.60	.65
	12½	1.08	8.1	Coast Brew.	360	13	13½	13½	13½
	14½	.	...	Cockshutt Plow	1370	16½	16⅞	15	15½
	2½	.	...	Comm. Alcohol.	2850	3	3½	3	3½
	20½	80+20c	..	Cons. Bakeries	1705	21½	22½	21½	21⅞
	10⅞	.	...	Cons. Paper	16044	16⅞	16⅞	15½	16
	12½	.	...	Cons. Press.	140	19	19	18	18
	47	.	...	Cons. Sand, pf.	10	60	60	60	60
	74½	50c+$1	..	Cons. Smelters	32133	77½	87½	77	87
	201	10	4.8	Consumers' Gas	335	206	206	205	205
	89	7	7.5	Corr. P. Box, p.	....	(94 bid 96 asked)			
	25	80c	3	Cosmos Imp.	890	26½	27	26	26
	104½	5	4.8	Do. pref.	60	104½	105½	105	105
	16	80c	3.6	Crown Cork	355	20½	22	21⅞	21⅞
	1½	.	...	Crown Dom. Oil	300	2½	2	2	2
	43	7	...	Crow's N. Coal	....	(47 bid 49 asked)			
				D					
	4	.	...	David & Fre. A	160	5⅞	5⅞	5½	5½
		.	...	Do. (B)	....	(— bid 1 asked)			
	15	.	...	De Havilland	1395	20½	21½	19	21½
	67	.	...	Do. pref.	....	(75 bid 80 asked)			
	5	.	...	Disher Steel	....	(4 bid 8 asked)			
	15½	.	...	Do. pref.	5	17	17	17	17
	24⅞	.	...	Distill-Seagram	7610	24⅞	26⅞	24⅞	25½
	92½	1.25	...	Do. pref.	60	94	92½	92½	92½
		.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
		5+1.25	..	Do. pref.	....	(91 bid — asked)			
		10	4.1	Dom. Bank	1	244	242	242	242
		1.20	2.1	Dom. Bridge	2566	56½	57	55	55
		1.50	7	Dom. Coal, pf.	2151	21	21½	20	21
		.	...	Dom. Engineer.	95	65	65	64	65
		.	...	Dom. Foundries	10	120	120	120	120
		5	4.3	Dom. Glass	134	116	116½	116	116
		7	4.6	Do. pref.	....	(— bid 150 asked)			
		.	...	Dom. Oilcloth	....	(41⅞ Feb. 12)			
		7	6.8	Dom. Rubber, p	....	(101 bid — asked)			
		.	...	Dom. St. & C.B.	54036	17⅞	20⅞	16⅞	20
		.	...	Dom. Stores	2065	11	11	10⅞	11
		.	...	Dom. Tar & Ch.	3078	16½	17	16½	16½
		.	...	Do. pref.	490	114	116	114½	115
		5	6.2	Dom. Textile	276	79½	80	79⅞	79⅞
		7	4.8	Do. pref.	....	(145 bid 149 asked)			
		.	...	Donnacona P. A.	2930	14⅞	15	14⅞	14⅞
		.	...	Do. (B)	8479	14½	15	14	15
		.	...	Dryden Paper	516	14	14⅞	14½	14½
				E					
		.	...	East. Koot. Pr.	....	(— bid 7 asked)			
		.	...	Do. pref.	....	(— bid 25 asked)			
		.	...	East. Dairies	330	3⅞	3½	2⅞	3
		.	...	Do. pref.	60	23	23	21	21
		1	...	East. Steel	20	21	20	20	20
		7	6.6	Do. pref.	5	109	106	106	106
		7	...	East. Theat., pf.	....	(— bid 80 asked)			
		.	...	Easy Washing	340	7⅞	8	7½	8
		1	...	Economic Inv.	....	(35 bid 39 asked)			
		1.60+10c	.	Electrolux	2265	22½	22½	21½	22
		.	...	Enam. & Heat.	275	7	7½	7	7½
		.	...	English Electric	300	33	35	34	35
		.	...	Do. (B)	390	14	15	14	15
		.	...	Equitable Life	15	6½	6½	6½	6½
		60c	...	European El. A.	300	10	9⅞	9½	9½
		.	...	Do. Warrants	....	(.50 bid — asked)			
				F					
		.	...	Fairchild Air.	3260	11½	11½	10½	11
		80c	...	Fam. Players	5	30	30	30	30
		80c	...	Do. Vot. Tr.	....	(30 bid 35 asked)			
		+37½c	.	Fanny Farmer	4375	23½	24½	23½	24
		1	3.7	Ford Motors A.	5436	26½	28½	26⅞	27½
		.	...	For. Pr. Secs.	55	2	2	2	2
		.	...	Foundation Co.	305	25½	25½	25	25½
		.	...	Fraser Cos.	291	30½	32	29	31
		.	...	Do. Vot. Tr.	1636	30	31	30	31
		.	...	Freiman, pf.	30	48	48	48	48

- * Quotations for 1935. No sales recorded in 1936-37 to date.
- † 1936.
- ▲ On account of arrears. b New York quotations.
- ‡ Plus extra of $2 paid Feb. 1, 1937.
- • Plus stock bonus 1% paid Jan. 2, 1937.
- ▲ Capital distribution.

Mining Stock Quotations

WEEK ENDED FEB. 22, 1937

Corporation Bonds

Supplied by Investment Dealers' Association of Canada
Feb. 23, 1936

Public Utility Issues:	Int. Rate %	Due	Bid Feb. 23	Asked	Bid Feb. 16
*Ass. Tel. & Tel.	5½	'55	89½	92½	89
Avalon Tel.	5½	'48	101½	..	101½
Beauharnois P.	5	'73	56½	59½	59
*Bell Telephone	5	'55	112	115	111½
*Do.	5	'57	118	121	119
B. C. Power	4½	'60	98½	101½	99
B. C. Tele.	4½	'61	105	108	105½
*Calgary Pwr.	5	'60	99½	102½	99½
*Do.	5	'64	97	100	96
†Can. Nor. Pwr.	5	'53	103	106	102½
*Dom. Gas & El.	6½	'45	95	98	95
*Gatineau Pwr.	5	'56	102½	105½	102½
*Do., A	6	'41	99½	102½	100
*Do. B	6	'41	99	102	99½
*Inter. Hydro-E.	6	'44	83½	86½	85½
†Maclaren-Que. Power	5½	'61	95	98	96½
†Do.	5½	'64	93½	96½	95½
†Mtl. Island Pr.	5½	'57	103½	106½	103½
†Mtl. L. H. & Pr.	3½	'56	99½	102½	100
†Mtl. Tramways	5	'41	103	106	103½
†Do.	5	'55	84½	87½	85½
Nfld. L. & P.	4½	'56	101	104	101
Nat'l. L. & P.	6	'49	96½	99½	96½
N. S. L. & P.	4	'57	98½	101½	98½
†Ot'wa L.H.&.P.	5	'57	104	107	104
†Ottawa Tract.	5½	'55	102	105	102
†Ottawa V. Pwr.	5½	'70	104½	107½	102½
†Power Corp.	4½	'59	103	106	102½
*Quebec Pwr.	5	'68	103	106	103
Saguenay Pr., B	4½	'66	103½	106½	104
Saguenay Pr., A	4½	'66	102½	105½	103
†Shaw. W. & Pr.	4	'61	98½	101½	99½
†Do.	4½	'70	103	106	103½
†South. Can. Pr.	5	'55	103	106	102½
†United Secs.	5½	'52	80½	83½	81
*Winnipeg Elec.	4½	'60	104½	107½	104½
Do., B	4	'65	74	77	74
*Do., A	4	'65	80½	83½	81
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	92½	95½	94
Acadia Sugar	4½	'55	101	104	101
†Alta. Pac. Gr.	6	'46	98	101	98
Asbestos Corp.	5	'42	..	..	110
B. A. Oil	4	'45	103½	106	103½
Canada Bread	6½	'41	109	112	108½
†Canada Cement	4½	'51	102	105	103½
†Canada Paper	4½	'52	99	101	99
Can. Steamship	6	'41	65½	68½	68
Can. Canners	4	'51	99	102	100½
Can. Bakeries	6½	'45	99	..	99
*Can. Inter. Pap.	6	'49	100	103	101
C. P. R.	3½	'51	103	106	103½
Do.	4	'49	107½	110½	107
Do.	4½	'44	102	105	102
Do.	4	Perp.	96	98½	98
Do.	6	'42	109	112	..
†Can. Vickers	6	'47	100	103	99
†Consol. Paper	5½	'61	86½	89½	89½
*Dominion Coal	6	'55	100	103	100
Dom. Sq. Corp.	6	'48	77	80	77
Dom. Stl. & C.	6½	'55	102½	105½	94½
Dom. Tar	4½	'51	101	104	103½
Dom. Textile	4½	'55	106	109	106
†Donnacona P.	4-4½	'56	85½	88½	86
†Eastern Dairies	6	'49	85	88	85
†Famous Play.	4½	'51	98	101	99½
†Federal Grain	6	'49	100	103	99
†Fraser Cos.	6	'50	101½	104½	101½
†Gen. Steel W.	6	'52	103½	106½	103½
Great Lakes Pap. Ex. Oct. 1/36 Cpn.	5	'55	94½	97½	93½
†Gypsum L.&A.	5½	'48	102½	105½	102½
†Gr. Br. & Can. Invest.	4½	'59	87½	90½	87½
Hamilton Cot.	5½	'48	103½	..	102½
Ham. By-Prod. Coke	5	'55	101½	104½	102
Do.	6	'56	98½	101½	..
*Hinde & Dauch	5½	'48	103½	106½	102½
†Inter. Paper	6	'55	98½	101½	98½
†Inter. P. & P. Nfld.	5	'68	103½	106½	103½
Inter City Bak.	5½	'48	103½	106½	103½
Inter-City West. Bakeries	6½	'50	60½	63½	58
†Kingston Elev.	6	'50	98	101	98½
Lake St. John P. & P.	5½	'61	101	104	100½
Do.	5	'61	84	87	86
†Lond. Can. Inv.	4½	'48	95	99	95
†Maple L. Mill. (Bundles)	5½	'49	87	90	88
†Massey Harris	5	'47	97	100	97
†McColl-Front.	6	'49	103½	106½	104
†Mercury Mills	5½	'53	82	85	83
†Mersey Paper	6	'49	100	103	100
*Minn. & O. P.	6	'45	67½	70½	69½
Mtl. Dry Docks	6	'48	92½	95½	93
Nat'l Grocers	4	'36-47	101½	..	101½
†N. A. Elevators	6	'50	97½	100½	97½
Nor. Ont. Bldg.	6½	'39	98½	..	98½
*Prov. Paper	5½	'47	102	105	101½
Queen's Hotel	6	'47	99	..	98½
*Reliance Grain	4½	'52	99	101	99
†Restigouche Co.	6	'48	111	114	111
Rich. Bay Bldg.	6½	'47	101	..	101
†Riordon P. & P.	6	'42	104	..	104
†Rolland Paper	4½	'51	103½	..	103½
Ruddy & Co.	6½	'48	99	102	98
†Simpsons Ltd.	4½	'51	96½	99½	97
†Smith, Howard	4½	'51	102½	105½	102½
*Spruce Falls P.	5½	'42	100½	103½	100½
†Steel of Can.	6	'40	113	116	113
Sterling Coal	6	'40	91	..	91
Stop & Shop	6	'47	80	..	78
Twin City	5½	'52	90½	93½	91
United Amuse.	5	'56	99	..	100
United Corp.	5	'33	98	101	98
Unit. Grain Gr.	5	'48	97	100	96½
Do.	5½	'49	99	102	99
Union Gas	4½	'43-50	99½	102½	99
‡Wabasso Cotton	4½	'51	97	100	97½
†Western Grain	6	'49	78	81	78
Windsor Hotel	6½	'43	83	86	82½
Do.	6	'47	43	46	42½
Zimmerknit	6	'51	100	103	100

‡Payable in Can. or U. K. †Payable in Can., U. S. or U. K. *Payable in Can.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)
February 23, 1937

Industrial Stocks:	Bid	Asked
Acadia Sugar, com.	6.00	
Do., pfd.	5.45	
Acme Farmers Dairy, pfd.	60.00	....
Algoma Steel, com.	24.75	25.25
Do., pfd.	98.25	99.00
Andian National	49.25	50.25
Assoc. Tel. & Tel., pfd.	54.00	56.00
B. C. Pulp & Paper, pfd.	50.00	....
D., com.	9.00	12.00
Brandram Henderson, pfd.	12.00	....
Burns & Co., A	18.00	19.00
Do., B	8.25	8.75
Can. Fairbanks Morse, com.	16.00	....
Can. Tube & Steel, 1st pfd.	80.00	....
Do., 2nd pfd.	20.00	26.00
Can. Wire & Cable, pfd.	117.25	119.00
Can. Airways	8.50	9.50
Can. Industries, A com.	248.00	251.00
Do., B com.	245.00	248.00
Do., pfd.	164.00	165.00
Can. Ingersoll Rand	130.00	132.50
Can. Westinghouse	70.00	72.00
Chase, A. W., pfd. bonus	27.00	....
Claude Neon Gen. Adv., pfd.	11.00	13.00
Conduits Nat., com.	6.10	6.50
Crescent Creameries, pfd.	37.00	40.00
Dom. Found. & Steel, com.	116.00	125.00
Do., pfd.	97.25	100.00
Dominion Woollens, com.	1.00	1.50
Dunlop Tire, pfd.	80.00	83.00
Federal Grain, com.	4.25	4.75
Do., pfd.	50.00	53.00
Goderich Elevator	8.00	9.00
Greening Wire, pfd.	103.50	106.00
Guelph Carpet, pfd.	105.25	106.50
Do., com.	24.75	25.25
Hayes Steel Prod., com.	9.00	11.00
Do., pfd.	8.00	9.50
Highland Dairy, com.	....	3.00
Do., pfd.	80.00	84.00
McCormick's, com.	....	3.75
Do., pfd.	11.00	....
Morrison Brass, pfd. bonus	5.50	....
Mount Royal Hotel, pfd.	3.25	4.00
N. Meth. Laund., pfd. bonus	88.00	....
Perfection Pete., pfd.	20.50	24.00
Provincial Paper, pfd.	107.00	....
Reliance Grain, pfd.	99.75	101.50
Rob. Consol. Cone	9.00	9.80
Ruddy, E. L., pfd.	44.00	45.00
Seal O Sac (Can.)	26.00	28.00
Standard Fuel, com.	9.75	11.00
Do., pfd.	104.50	106.00
Supertest Pet., B pfd.	27.25	28.25
Toronto Carpet, com.	50.00	....
Do., pfd.	50.00	....
United Steel, A pfd.	15.75	16.25
Western Grain, pfd. bonus	15.00	16.00
Wings Ltd.	2.05	2.25
Trust & Loan Stocks:		
Chartered Trust	93.00	....
Commercial Finance, com.	2.65	3.00
Guelph Ont. Inv., par $50	50.00	54.00
London & Western Trust	55.00	57.50
Sterling Trust	36.00	....
Traders Fin., com.	6.25	....
Do., B pfd. bonus	94.00	....
Trusts & Guarantee	33.00	35.00
Insurance Stocks:		
Canada Life	535.00	544.00
Canadian Ins. Shares	13.00	15.00
Confeder. Life 20% pd.	115.00	117.00
Dominion Fire	135.00	....
Dom. of Can. Gen.	135.00	150.00
Empire Life 25% pd.	9.50	11.00
Federal Fire 25% paid	48.00	....
Fidelity Ins. of Can.	48.00	....
Great West Life	....	360.00
Guar. of N. A. fully pd.	290.00	305.00
Halifax Fire	22.50	23.00
Imperial Life	360.00	....
Manufacturers Fire	248.00	255.00
Monarch Life 10% pd.	21.00	22.50
Sovereign Life 25% pd.	15.00	17.00
Sun Life	720.00	750.00
Western Assurance, com.	51.00	....
Theatre Stocks:		
Allens Beach, pfd.	72.00	75.00
Do., Kingston, pfd.	65.00	75.00
Do., Parkdale, pfd.	73.00	....
Do., Toronto, pfd. bonus c.	30.00	36.00
Loew's, London, pfd.	3.00	3.50
Do., Toronto, pfd.	....	125.00
Mansfield Theatre, pfd.	46.00	49.00
Paramount, Kitchener, pfd.	55.00	63.00
Do., Oshawa, pfd.	90.00	95.00
United Amusement, A	25.75	....
Investment Trust Shares:		
Can. Gen. Invest.	10.90	11.20
Can. Int. Inv. Trust Units	106.00	....
Can. Investment Fund	4.90	5.20
Can. Investors Corp.	10.00	10.75
Cons. Div. Std. Sec. Units	20.25	21.50
Dom. Scottish Invest. Units	46.00	41.15
Invest. Foundation Units	66.25	67.00
Lon. Can. Invest., com.	3.00	5.00
Sec. Holding Corp. Units	25.50	28.50
United Corpns., A	27.25	28.50
Do., B	27.25	29.25
Power Issues:		
Can. West. Nat. Gas, pfd.	91.25	92.50
Do., com.	23.00	25.00
Great Lakes Power, pfd.	99.75	101.00
Inter. Util., 1.75 pfd.	17.00	18.50
Montreal Island Pwr., pfd.	16.00	....
Nor. Ont. Power, pfd.	103.00	105.00

Winnipeg Stocks

(Transactions from Feb. 15 to Feb. 20)

	Sales	High for period	Low for period	Close Feb. 20
Beaver Lumber	300	4.50	4.25	4.50
Canadian Fire	48	77.00	77.00	77.00
Can. Airways	10	10.00	10.00	10.00
Cres. Cream. pf.	26	36.00	36.00	36.00
Cryderman	6,300	.04	.03½	.04
Dom. Envel., pf.	10	97.00	97.00	97.00
Forty Four	200	2.05	2.05	2.05
Flin Flon	30,050	.17	.15	.17
Frontier	100	.18	.18	.18
Gt. Falls M.	13,100	.32	.28	.32
Gold Lake	20,600	.09	.07	.07
Gurney Gold	9,800	.63	.59	.60
Herb Lake	1,000	.25	.25	.25
Island Lake	6,600	.04	.03½	.03½
Knee Lake	11,100	.05½	.03½	.03½
Kingfisher	1,500	.03	.02½	.02½
Optic Lake	55	1.50	1.40	1.40
Ore Grande	6,700	.12½	.12	.12
Marvel Oils	4,400	.14	.11	.12
Reliance Gr. pf.	20	96.00	96.00	96.00
Packsack	100	.27	.27	.27
Sachigo	559	20.00	19.00	19.75
Vanson Man.	7,500	.02	.01½	.02
United Grain	100	10.25	10.25	10.25
Wings	200	2.00	2.00	2.00
Wpg. R. Tin	51,700	.04	.02	.04
Wallace Lake	35,660	.05	.04	.05
Wylie Dom.	1,200	.55	.55	.55
Wingold	31,370	.09	.06½	.07
West. Brew.	30	1.25	1.25	1.25
West. Steel, pf.	10	7.00	7.00	7.00

Unlisted Mines

February 23, 1937

	Bid	Asked
Admiral	.36	.38
Amos Cad.	.25	.28
Albany River	1.05	1.10
Algold	.63	.66
Amm Gold	.45	.47
Altura	.38	.42
Alsbach	.04	.05
Arno	.08	.07
Athona	.25	.28
Arrowhead	.45	.48
Area	.06	.07
Augite	.51	.53
Bailor	.06	.06½
Bathurst N.	.05	.06
Bar Lar	.23	.25
B.E.A.R.	.26	.29
Bidl'aque	.26	.29
Big Long Lac	.07	.08
Bilmac	.24	.27
Beresford L.	.31	.35
Brengold	.18	.19
Bousquet	.07½	.03½
Cal. F. F.	.14	.15
Can. Pandora	.17½	.18½
Can. Kirkland	.04	.05
Canadalaca	.46	.48
Cal. Bousquet	.24	.27
Casey Summit	.22	.25
Casey Contact	.04	.04½
Clifton	.01¾	.02¾
Centrecour	..	.27
Chesterville	1.50	1.64
Coin Lake	..	.20
Condor	.09½	.10½
Con. Kirk	.35	.58
Cres. Kirk.	.20	.23
Cuniptau	.10½	.11½
Darwin	.27	.30
Demp. Cad.	.27	.40
Daw. White	.45	.47
Den. Nic'l	.40	.43
Derlak	..	.20
Desantis N.	.60	.70
Don. Mar.	.25	.37
Doreva	.65	.70
Dunlop New	.18	.17
Electra P.	.38	.41
Eva Lake	.21	.23
Faulkenham	.58	.60
Franklin	.03½	.04
Frontier	.17½	.19
Garnet	.03	.07
Gate Pat.	.13	.18
Gilbec	.03½	.03¾
Gillies L.	.30	.33
Goldside	.06½	.07½
Gold Eagle	.73	.75
Gold. Gate	.51	.53
Gor. Lebel	.25	.28
Hayes Cad.	.18	.18
Hayson R.	.25	.28
Hislop	.21	.24
Holtryex	.03½	.04½
Horseshoe	.08½	.09
Hud. Pat.	.10	.12
Hutch. Lake	.28	.31
H. P. Porc.	.55	.58
John Nip.	.07	.09
Kaw Crow	.25	.28
Kenecho	.20	.22
Kenricia	.70	.75
Keora	.06	.07
Kerr Add.	3.25	3.35
Kew Gama	.65	.70
King Kirk.	.05½	.08½
Kirk. Hun.	.04	.04½
Kirgood	.27	.29
Kirk. Gate	..	.25
Kirk. G. B.	.18	.20
Kirk. King	.25	.28
Lafayette	.05	.05¼
L. Geneva	.97	1.00
Lamaque	..	9.00
Lardego	.17	.18
McC. R. L.	.20	.25
Madsen	1.20	1.25
Magnet L.	.14	.15
Mag. Cons.	.40	.42

UNLISTED MINES—(Continued)

	Bid	Asked
Mal. Gold	..	.52
Martin B.	.78	.80
Margaret	..	.58
Maritime	.45	.48
Man. Basin	..	.05½
Matona	.41	.44
Mat. Can.	.19	.22
MacFarlane	.12½	.13
McC. Webb	.39	.42
McV. Kirk.	.12½	.13½
Mooshla	.70	.73
Mosher	.29	.32
Murmac	.07	.09
Normetal	3.15	3.25
N. Shores	.04¾	.05
Nor-Man.	.18	.20
Oklend	.39	.42
O'Leary	.19	.22
Opem. Copper	.74	.76
Oriole	.14	.14½
Osoyoos	..	.08
Pan. Cad.	.95	1.00
Paymore	.35	.37
Pascalis	.54	.57
Par. Mal.	.35	.38
Plains P.	2.25	2.50
Potter'l	.05	.06
Planet	.18	.21
Porc. McN.	.16½	.18
Porc. Unit	.15	.17
Pelangio	.24	.26
P. Rouyn	.22	.25
Porc. G. R.	.06½	.07
Porc. Tri.	.22	.25
Proprietary	3.05	3.15
Quemartic	.26	.29
R. Crest	1.60	1.70
Rajah	.34	.37
Richmac	.43	.45
Roeanor	.21	.24
Rouyn Reward	.16	.17
Rubec	.16½	.17
Sand River	..	.40
Schreiber	.12	.14
Shenango	.25	.27
Silver Val.	.18	.20
Skookum	.20	.24
Siscoe Ex.	.40	.42
Slave Lake	2.70	2.80
Spooner	.35	.38
Sturgeon River	.46	.49
Springer	.16	.18
Straw Lake	.35	.38
Sun Beam	..	.68
Tonawanda	.11	.13
Uchi. L.	1.10	1.20
Up. Can.	.75	.79
Valloe	.13	.15
Wascana	.30	.33
William	.15	.16
Wesley	..	.40
Westside	.14	.15
White Horse	.19	.22
Wendigo	.23	.29
Winoga	.34	.38
Young D.	.19	.21
Young S.	.16	.19
Ypres C.	.47	.50

Mining Dividends

	Rate	Close Feb. 22	Yield %
Anglo-Huronian	20c	8.00	..
Beattie Gold	†5c	1.45	..
Bralorne	40c+15c	6.65	..
Buff. Ankerite	30c	12.00	..
Bulolo Gold	‡1.40	29.50	4.2
Cariboo	10c	1.61	6.2
Central Patricia	4c	4.40	..
Coniagas	12½c	3.30	..
Cons. Smelters	$1+$1	87.00	..
Dome Mines	$2+$2	49.00	*8.2
Falconbridge	30c	12.75	2.3
Hollinger	65c+45c	15.00	*7.3
Howey Gold	2c	.56	..
Hudson Bay	$1	41.25	..
Island Mountain	‡10c	1.07	..
Int. Coal & Coke	‡1c	.22½	..
Inter. Nickel, c.	$2	73.25	2.7
Inter. Mining	15c	18.00	..
Kirk. Lake	‡3c	.93	..
Kerr Lake	5c	.55	..
Lake Shore	$4+1	57.75	*8.6
Lava Cap M.	2c+1c	.86	..
Little L. Lac	30c	7.10	..
Macassa	15c	7.60	2
McIntyre	$2	41.25	4.8
McKenzie R. Lake	6+1c	1.75	..
McKinley Sec.	2½c	.65	..
McWatters Gold	5c	.80½	..
Noranda	$3	83.00	3.6
Nor. Can. Mining	2c	.75	..
Nipissing	50c	3.05	..
Premier	12c+1c	3.90	*3.3
Pioneer, B.C.	30c	5.80	..
Pickle Crow	20c	7.65	2.6
Reno	12c	1.20	10
San Antonio	14c	2.10	..
Sheep Creek	8c	.63½	12.6
Siscoe	20c+1c	5.55	*3.7
Sudbury Basin	10c	6.85	..
Sylvanite	20+5c	4.20	*5.9
Teck-Hughes	40c+5c	5.95	*7.5
Toburn	8c	3.60	2.2
Ventures	2½c+2½c	3.25	..
Wright-Har.	•40c+20c	7.85	*7.6
Ymir Yankee Girl	5c	.43	..

‡Interim. †Initial.
*Yield includes bonus.
•Includes 10c. interim paid Feb. 1.

Listed Bonds

Week Ended Feb. 22, 1937

	Int. rate	Due	High	Low	Range 1937 High	Low
Mtl. L. H. & P. Debs.	3	'39	50¼	50⅛	50¼	50¼

Municipal Bonds

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	111.00	112.50	4.18
Hamilton	5	1950	108.00	110.00	4.03
Montreal	5	1945	104.50	106.00	4.19
Ottawa	4½	1945	106.50	108.00	3.40
†Quebec	5	1959	104.00	106.00	4.57
Saint John	5	1950	106.50	108.00	4.24
Toronto	4½	1955	109.00	111.00	3.66
†Vancouver	5	1950	94.00	98.00	5.21
Winnipeg	5	1944	98.00	102.00	4.67

†Payable Can. and N.Y.

Government Bonds

Dominion of Canada Bonds

Feb. 24, 1937		Bid	Ask.	Approx. Yld.
†5	1 Mar. '37	100.00	100.50	...
2½	1 Dec. '37	102.75	103.50	1.26
2½	15 Oct. '39	101.25	102.00	1.73
4	15 Oct. '39	104.50	106.00	1.68
2	15 Nov. '39	101.00	101.50	1.44
1½	1 June '40	99.00	100.00	1.50
4½	1 Sept. '40	107.00	108.00	2.15
1	15 Mar. '41	97.00	97.75	1.57
5	15 Nov. '41	110.00	111.00	2.52
3	15 Oct. '42	103.00	104.00	2.24
2½	1 June '43	100.25	101.25	2.28
5	15 Oct. '43	111.00	112.00	3.00
4½	15 Oct. '44	109.25	110.25	3.00
▲2½	15 Aug. '45	99.75	100.50	▲2.41
4	15 Oct. '45	105.75	106.50	▲2.92
4½	1 Feb. '46	109.25	110.25	3.18
3¾	15 Oct. '49	102.25	103.25	▲3.02
4	15 Oct. '52	105.25	106.25	▲3.31
3	1 June '55	96.75	97.75	3.16
4½	1 Nov. '56	108.00	109.00	▲3.43
4½	1 Nov. '57	108.00	109.00	▲3.50
4½	1 Nov. '58	109.00	110.00	▲3.47
4½	1 Nov. '59	109.00	110.00	▲3.53
▲3¼	15 Jan. '61	99.75	100.75	▲3.20
3¼	1 June '66	97.75	98.75	3.32
‡3	Perp. bds.	90.00	91.00	3.30

Dominion Guaranteed Bonds

Canadian National Railways:

Feb. 24, 1937		Bid	Ask.	Approx. Yld.
3	1 May '44	101.50	102.50	2.61
3	15 Dec. '50	96.25	97.25	3.25
3	15 Feb. '53	96.00	97.00	3.24
*4½	1 Sept. '51	111.25	112.25	3.42
*4½	1 Feb. '56	111.50	112.50	3.59
†4½	1 July 57	111.00	112.00	3.66
*4¾	15 June '55	114.00	115.00	3.63
5	1 Feb. '54	114.50	115.50	3.76
*5	1 July '69	115.00	116.00	▲3.15
*5	1 Oct. '69	116.00	117.00	▲3.65

Provincial Government Bonds

New Brunswick:				
4	1 Sept. '54	101.50	103.00	3.76
†4½	15 Apr. '61	107.00	109.00	3.92
†5	15 Jan. '60	112.00	114.00	4.06
Nova Scotia:				
3	2 Sept. '45	97.00	98.00	3.13
4½	15 May '43	105.50	107.00	3.25
†4½	15 Sept. '52	108.00	110.00	▲3.36
†5	1 Mar. '60	114.00	116.50	3.92
Ontario:				
*4	1 June '62	104.00	106.00	3.64
*4½	1 Sept. '44	111.00	113.00	2.58
4½	1 June '50	109.00	110.00	3.54
*4½	15 Jan. '62	109.00	111.00	3.81
5	15 Oct. '48	113.00	114.00	3.55
*5	2 Dec. '60	117.00	119.00	3.78
5½	1 July '46	113.50	115.00	3.62
Ont. Hydro Comm.:				
3½-4-5	1 Oct. '52	99.50	100.25	...
4¾	1 Jan. '70	113.50	116.50	3.86
Prince Edward Island:				
3	1 Oct. '45	96.50	98.50	3.33
Alberta:				
4	15 Dec. '54	62.00	66.00	§
†4	1 Dec. '57	62.00	66.00	§
4½	1 Oct. '51	74.00	78.00	§
†4½	1 Oct. '56	66.00	69.00	§
†5	1 Jan. '48	67.00	71.00	§
5	1 Sept. '55	65.00	69.00	§
*5	1 Oct. '59	66.00	70.00	§
†5½	1 Jan. '47	68.00	72.00	§
6	1 Mar. '47	68.00	72.00	§
Quebec:				
4	15 Mar. '52	105.00	107.00	3.42
4¼	1 Aug. '58	108.50	110.00	3.58
4½	2 Jan. '63	110.50	112.00	3.77
British Columbia:				
†4	1 Dec. '57	90.50	91.50	4.64
*4½	15 Jan. '51	97.00	99.00	4.60
†4½	1 Oct. '53	95.00	96.50	4.80
†5	15 Jan. '48	99.00	100.00	5.00
5	1 Sept. '53	98.75	99.75	5.02
5½	1 Feb. '45	100.00	101.00	5.35
6	15 Feb. '47	101.00	102.50	5.67
Manitoba:				
4	2 Jan. '50	85.50	87.50	5.35
†4	1 Dec. '57	85.50	87.50	4.96
†4½	15 Dec. '56	87.00	89.00	5.40
†5	15 June '54	92.00	94.00	5.55
*5	2 Dec. '59	93.00	95.00	5.38
5½	1 Oct. '55	91.00	93.00	6.12
6	1 Apr. '47	92.00	94.00	6.80
Saskatchewan:				
4	15 Aug. '53	80.00	82.00	5.70
4	1 Nov. '60	79.00	81.00	5.42
*4½	2 July '45	87.00	90.00	6.02
†4½	1 Oct. '51	89.00	92.00	5.26
†4½	15 Mar. '60	85.00	88.00	5.41
5	1 Aug. '58	88.00	90.00	5.82
†5½	15 Nov. '46	90.00	93.00	6.48
3½	1 Oct. '52	89.00	92.00	6.30
6	15 Mar. '52	92.00	94.00	6.62

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ♦Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2% •Calculated to maturity, although callable prior to that date.

Quinte Milk Plans All Common Stock

Would Convert Preferred Into Common, 1 Share For 20

Shareholders of Quinte Milk Products Ltd. are to meet at Wellington, Ont., on March 8 to consider proposals for conversion of preferred shares into common stock so there would be only one class of shares outstanding.

The proposal is to convert the 1,500 outstanding preferred shares, one for 20, into 30,000 common shares. The present 6,000 common shares would remain unchanged and the outstanding capital would be 36,000 shares. Arrears of preferred dividends total 45½%, from April 1, 1930.

L. Richardson, president, emphasizes the necessity of approval by 75% of preferred shares and two-thirds of the common shares for the proposals to become effective. He states that the advantages in the proposal would be provision of adequate depreciation, thus lowering future charges on this account; simplification of the capital structure; and improvement in marketability of shares.

Income account for 1936 shows a loss of $226 and a total accumulated deficit of $5,028. Current assets are $31,469 and current liabilities $3,551, leaving working capital of $27,918.

DIVIDEND NOTICES

The Canadian Bank of Commerce

DIVIDEND No. 200

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1937, and that the same will be payable at the Bank and its Branches on and after Monday, 1st March next, to shareholders of record at the close of business on the 30th January, 1937. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.

Toronto, 22nd January, 1937.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st March, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of April, 1937, to shareholders of record of the 20th March, 1937.

By Order of the Board.
DUDLEY DAWSON,
General Manager.

Toronto, 11th February, 1937.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

THURSDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March, 1937.

By order of the Board.
WALTER F. WATKINS,
Secretary.

Toronto, February 17th, 1937.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of Seven per cent (7%) per Annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 27th day of February, 1937.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, February 17th, 1937.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE HALF OF ONE PER CENT (½%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 27th day of February, 1937.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, February 17th, 1937.

DIVIDEND NOTICES

Reno Gold Mines Limited (N.P.L.)

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of three (3c.) cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Wednesday, the 10th day of March, 1937, and that the dividend will be payable on or after the 1st day of April, 1937.

The Register of Transfers will be closed at the close of business on the 10th March, 1937, until the opening of business on the 20th day of March, 1937.

By Order of the Board,
W. A. SUTTON,
Secretary-Treasurer.

Vancouver, B.C., February 18, 1937.

The Corrugated Paper Box Company, Limited

PREFERRED STOCK DIVIDEND NO. 16

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of March, 1937, to shareholders of record at the close of business on the 19th day of February, 1937.

Dated the 17th day of February, 1937.

J. A. WHEALY,
Secretary.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarters per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1937, payable 15th April, 1937, to shareholders of record 31st March, 1937.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, February 17th, 1937.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1937, payable 1st April, 1937, to shareholders of record 15th March, 1937.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, February 17th, 1937.

Central Patricia Gold Mines, Limited

(No Personal Liability)

INTERIM DIVIDEND NUMBER 3

Notice is hereby given that an interim dividend of 4 cents per share on the issued capital stock of the Company has been declared payable on the 15th day of March, 1937, to the shareholders of record at the close of business on the 28th day of February, 1937.

By order of the Board.
ALAN COCKERAM,
Secretary-Treasurer.

Dated at Toronto, this 18th day of February, 1937.

A. J. Pattison, Jr. & Co. Limited
Established 1907
For thirty years we have rendered a Standardized Service to
BANKS, INSURANCE AND TRUST COMPANIES, BROKERS, INDUSTRIAL CORPORATIONS AND INDIVIDUALS
IN BUYING AND SELLING
INDUSTRIAL AND PUBLIC UTILITY STOCKS AND BONDS
Royal Bank EL. 5101 TORONTO

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$7.00	$7.50	$7.25
Hogs	9.00	9.00	9.50
Copper, lb.	.14	.13	.09¼
Cotton, lb.	.1295	.1311	.1145
Rubber, lb.	.21	.2153	.1568
Sugar, raw, lb.	.0350	.0360	.0338
Silk, lb.	2.08	2.11	1.75
Wheat (Man.) bu.	1.26⅜	1.30	.81½
Coffee, lb.	.09⅜	.09¼	.07
Hides	.14	.13½	.10

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	140.0	142.0	127.2
Fishers'	91.0	90.7	83.8
N. Y. Journal of Comm.	88.9	88.4	81.5
Crumps (Brit.)	78.9	78.9	68.2
U. S. Labor	85.7	85.2	80.2
Canada (D.B.S.)	82.3	82.0	72.6

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Jan.)	81.6	81.7	80.4
W'sale (Jan.)	81.3	79.7	72.9
W'sale (Jan.)	81.9	79.7	72.5
U. S. Labor (Nov.)	82.4	81.5	80.6
Gt. Brit. (Nov.)	86.1	85.5	79.9

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price. Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North Ft. W.-Pt. A. basis: Hides — No. 1 packer light native cows: Hogs—select bacons, Toronto.

Quebec Field Crops

QUEBEC.—The value of field crops in Quebec Province last year was nearly $8 millions greater than the year before, according to the latest federal estimates, which placed a value of $91,288,000 on the 1936 crops, as compared with $83,616,000 on those of 1935. The areas planted, rose from 5,912,800 acres in 1935 to 6,018,400 acres in 1936.

DIVIDEND NOTICES

SISCOE GOLD MINES LIMITED

NOTICE OF DIVIDEND No. 20 AND BONUS

Notice is hereby given that a Dividend of Five Cents (5c) per share and a bonus of one cent per share on the issued Capital Stock of Siscoe Gold Mines Limited has been declared payable on March 15, 1937, to shareholders of record at the close of business on the 27th day of February, 1937. The stock transfer books of the Company will be closed from March 1st to March 19th inclusive for the purpose of the payment of the said Dividend and bonus and for the holding of the Annual Shareholders Meeting on the latter date.

By order of the Board.
H. E. GREEN,
Secretary-Treasurer.

Montreal, 19th February, 1937.

Banque Canadienne Nationale

Dividend Notice

Notice is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 28th of February, 1937. This dividend, bearing the number 184, will be payable at the Main office or at the branches of the Bank, on or after the first day of March, 1937, to the shareholders of record on February 15, 1937.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

DIVIDEND NOTICE

HIRAM WALKER-GOODERHAM & WORTS LIMITED

DIVIDEND NO. 42

A quarterly dividend of 25¢ a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this company, payable Monday, March 15, 1937 to shareholders of record at close of business on February 19.

DIVIDEND NO. 43

A quarterly dividend of 50¢ a share has been declared on the outstanding no par value Common Stock of this company, payable Monday, March 15, 1937 to shareholders of record at the close of business February 19.

By Order of the Board,
FLETCHER RUARK,
Secretary.

Walkerville, Canada
February 4, 1937.

Canada Bread Company Limited

First Preference Shares

Notice is hereby given that a dividend of $1.25 per share has been declared on the First Preference Shares of the Company payable April 1st, 1937, to shareholders of record at the close of business on March 15th, 1937.

Class "B" Preference Shares

Notice is hereby given that a dividend of .62½ cents per share has been declared on the Class "B" Preference Shares of the Company payable April 1st, 1937, to shareholders of record at the close of business on March 15th, 1937.

By Order of the Board,
W. S. ANTLIFF,
Secretary-Treasurer.

Toronto, Ontario,
February 18th, 1937.

Week in Wheat

Canadian Prices Slip As British Ease Buying

Switching Purchases to Argentine Grain Which Now Floods Europe — Markets Watching Condition of U. S. Winter Crop

From Our Own Correspondent

WINNIPEG.—North American grain markets weakened at the beginning of this week under the combined influence of slackened British buying of Canadian wheat and of reports of improved moisture conditions in the winter wheat belt of the United States. The weakness was mainly a North American phenomenon as overseas prices remained comparatively unchanged. The net consequence was a slight narrowing of the premium of Canadian wheat over Argentine wheat in overseas markets.

The small part that Canadian wheat is playing in international trade was emphasized by figures showing that, omitting United States shipments, only one sixth of world shipments had been provided by Canada. Australia put afloat more wheat than this country and Argentina nearly four times as much.

Market attention for the moment is largely fixed upon the state of the United States winter crop. Reports are conflicting but on the whole market action continues to presage a comparatively small crop.

Trial of Strength Ahead

THE wheat market, during the next few weeks, is to undergo a severe test of its fundamental strength. Sea lanes are almost crowded with Argentine wheat, of which nearly a million bushels a day will be arriving at European destinations for weeks to come. Undoubtedly such wheat has been sent forward in the belief both that it can be absorbed and is urgently required.

The real test will lie in the rapidity with which it is absorbed. Already the market has been surprised by the rate at which Italy, France and Germany have been reported as buying. More than once Liverpool has shown an inclination toward weakness on reports of the extent of Argentine shipments, expecting that these contained much unsold wheat. More than once the tendency has been reversed on the discovery that the cargoes in question were firmly placed, and that there was no pressure to dispose of them.

Nevertheless, it still remains to be established that the wheat in question will be absorbed as readily as it was bought. If that proves to be the case it will show that continental Europe is even hungrier than was anticipated a short time ago, and an impetus will be added to the market.

* * *

Using Less Canadian

IN THE meantime the wide differential persists between the price of Canadian and Argentine wheat. Neither Great Britain nor the Continent is buying any more Canadian wheat than is actually required for mixing purposes. British buying is not at a rate to sustain the previous proportions used of Canadian wheat, and unless there is an early reversal of the trend, British flour is going to be weaker than it was.

* * *

High Premium Remains

THE market appears to be content with things as they are, and no uneasiness has yet developed importantly concerning either the high premium demanded for Canadian wheat, or the comparatively small volume in which it is being currently exported.

But present satisfaction appears to rest on the belief that commencing about the time of the opening of navigation the transatlantic demand for Canadian wheat will be much improved. It is somewhat doubtful if recent buying for export has been in sufficient volume to sustain that expectation, but there is still plenty of time in which such buying can develop.

Expect Clean-out Of Seed Stocks

Some Grain Shortages in Dry Areas — Prices Firm

With spring seeding possibly less than a month away Canadian farmers are beginning to take stock of their feed situation. Throughout the Prairie Provinces considerable quantities of seed wheat and other grains will have to be brought into the dried-out areas which have been most severely hit in the last three or four years.

In those areas hit by drought only moderately or for the first time last summer farmers can usually make their own arrangements. In the big former drought sections where a large part of the population is on relief, however, provision of seed grain will have to be financed probably by the Dominion Government.

In eastern Canada some local shortages in certain lines of seed grain are reported but nothing very serious and certainly nothing that cannot be remedied. In small seeds, particularly alfalfa, sweet clover and red clover, prices are reported very firm and with a tendency to go higher. Only two lines, timothy and alsike, are cheap.

Retailers are reported as rather slow to stock up at present firm prices being afraid that farmer buyers may not purchase freely. On the other hand with very few cheaper and substitute crops to which to turn and in view of generally higher farm purchasing power, wholesale seed merchants expect that stocks will be well cleaned up this season and at firm prices. Substantial exports of alfalfa and sweet clover largely to United States and Russia have reduced supplies to what a normal demand would completely absorb.

Argentine Wheat Exports Break Volume Records

Twice during January, weekly shipments of grain from Argentine ports surpassed all previous records. During the week ending Jan. 29, for instance, no less than 545,000 tons were exported or close to 20 million bushels. Federal wheat exports for the month were over 25 million bushels. Only in 1928 were January wheat exports higher than this year.

This volume gives some indication of the vast competition Canadian exports are meeting in the European market. And this competition has been further aggravated by the fact that Canadian prices have been really at a substantial premium over those accepted by exporters from the Argentine for their wheat.

The bulk of Canadian exports in the last month has been going to the United States which is still seriously in need of hard spring wheat though it appears to be sufficiently supplied with the soft variety as a result of the fairly abundant crop of winter wheat in that country last summer.

Beet Growers to Meet

LETHBRIDGE, Alta.—The annual meeting of the Alberta Beet Growers' Association will be held in Lethbridge, February 26, according to official advices. Reports, election of officers, discussion of the 1937 contract and other business will be taken up.

Acadia Sugar Refining Orders New Steam Unit

From Our Own Correspondent

MONTREAL.—Acadia Sugar Refining Co. has placed a contract with Combustion Engineering Corp. for a steam generating unit to be installed at the Halifax plant. This unit will be designed for 300 pounds pressure, and an ultimate capacity of 90,000 pounds of steam per hour. It will be operated for the present at 160 pounds pressure at 100 deg. Fahr. superheat and will be arranged for either oil or coal firing.

Manitoba's Butter

WINNIPEG.—According to Hon. D. L. Campbell, Manitoba Minister of Agriculture, creamery butter producers of Manitoba have "set the standard of quality across Canada." Manitoba butter makers took 57.6% of all first prizes and 49.3% of all prizes awarded at the ten largest fairs in Canada, last year.

Compulsory Grading Urged on Quebec Gov't

From Our Own Correspondent

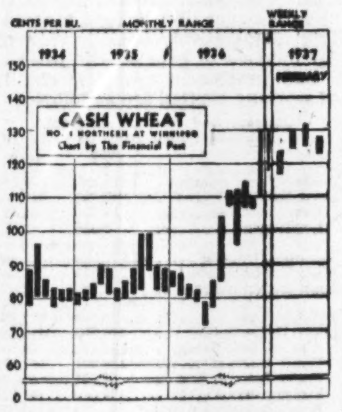
MONTREAL.—Compulsory butter grading in Quebec is advocated by the Montreal Provision Trade Association, which wants the Provincial Government to bring in the necessary legislation to put this change into effect.

Ontario passed this legislation last October and British Columbia, Alberta, Saskatchewan and Manitoba have had such regulations in force since 1935. Because Quebec produces a higher percentage of first-grade butter than any other province, it is believed that the proposed legislation will be welcomed by the producers.

Butter Output

HALIFAX.—The January make of creamery butter in Nova Scotia amounted to 325,784 pounds, compared with 318,574 pounds in January, 1936, or an increase of 2.3%.

Wheat Prices



(Cash Quotations)

	For Week Feb. 23 High	For Week Feb. 23 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.28¾	1.24½	1.31½	1.28
1 Northern	1.28⅝	1.24⅜	1.31⅜	1.27⅞
2 Northern	1.26½	1.22¼	1.29¼	1.25¾
3 Northern	1.23½	1.18⅛	1.29⅞	1.22¾
4 Northern	1.17¾	1.13½	1.20½	1.17
5 Wheat	1.13¾	1.09½	1.16½	1.13
6 Wheat	1.13¼	1.09	1.16	1.12½
Feed Wheat	.94¾	.90½	.97½	.94
Vancouver: Week to Feb. 22:				
1 Northern	1.29⅝	1.26½	1.32¼	1.29¾

Competitive Export Prices:
Feb. shipment.

Week to Feb. 19

	High	Low
No. 1 North. (Vanc.)	1.54⅜	1.50
No. 2 North. (Atlan.)	unquoted	
No. 1 North. (afloat)	unquoted	
No. 2 North. (Vanc.)	1.50¾	1.47¾
West Australian (afloat)	1.34¾	1.32⅛
Australian	1.32½	1.30⅞
Argentine Rosafe	1.21	1.17⅞
Indian (new crop)†	1.27⅛	1.24

†May-June and Feb. shipment.

Winnipeg Grain Futures

Week to Feb. 23, 1937

Crop year from Aug. 1, 1936 High	Low		Open Feb. 17	High for week	Low for week	Close Feb. 23
		Wheat				
1.30¾	1.05⅝	May	1.27½	1.28¼	1.23⅜	1.23½
1.26⅜	1.03¾	July	1.22⅞	1.24¼	1.19¾	1.19¾
1.15	1.04⅛	Oct.	1.12½	1.13¾	1.09⅛	1.09⅛
		Oats				
.58	.42¼	May	.55⅞	.55⅞	.54⅜	.54½
.55⅛	.43⅝	July	.52⅝	.52¾	.51½	.51½
		Barley				
.88⅞	.50⅞	May	.83⅜	.83¾	.79⅜	.80
.77¼	.56¾	July	.71⅜	.71⅝	.70⅛	.70¾
		Flax				
1.75⅞	1.60½	May	1.71⅛	1.72	1.69¾	1.70⅛
1.76	1.63¼	July	......	1.71	1.69	1.69⅜
		Rye				
1.14⅞	.62⅝	May	1.08⅝	1.09⅛	1.03	1.03
1.12⅛	.78¼	July	1.03⅝	1.04½	.99¼	.99½
.92½	.83⅜	Oct.	.87¾	.89⅜	.84⅝	.85¼

DIVIDEND NOTICES

Chartered Trust and Executor Company

Notice is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending March 31st, 1937, payable April 1st, 1937, to shareholders of record at the close of business March 15th, 1937.

By Order of the Board.
E. W. McNEILL,
Secretary.

Dated at Toronto,
February 15th, 1937.

Acme Glove Works Limited

DIVIDEND NOTICE

A quarterly dividend of One and Five Eighths Per Cent (1⅝%) has been declared upon the Six and One Half Per Cent (6½%) Cumulative Preferred Shares of Capital Stock of this Company, to be paid April 1st, 1937, to shareholders of record at the close of business on March 20th, 1937.

A dividend of Twelve and One Half Cents (12½c.) per share has been declared on the No Par Value Common Stock of this Company, to be paid April 1st, 1937, to shareholders of record at the close of business on March 20th, 1937.

By Order of the Board.
A. LEPINE,
Secretary.

Montreal,
February 24th, 1937.

Montreal Tramways Company

Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Head Office of the Company, Tramways Building, 159 Craig Street West, Montreal, on Monday, the 26th day of April, 1937, at 12.00 o'clock noon.

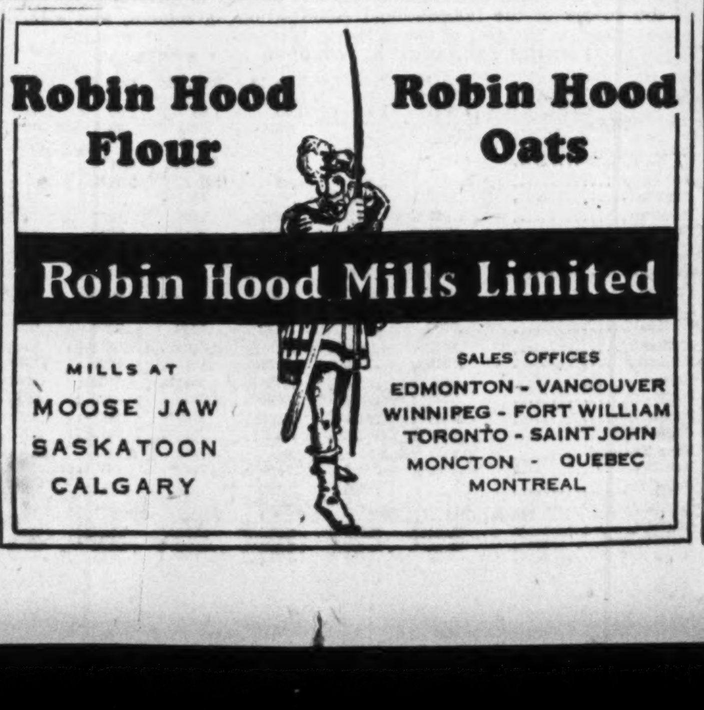
This meeting will be held for the purpose of receiving and considering the Annual Report and Financial Statements, for the election of Directors, the appointment of Auditors, and for such other business as may properly come before said meeting.

The Transfer Books will be closed from the 6th day of April, 1937, to the 25th day of April, 1937, both days inclusive.

By Order of the Board,
PATRICK DUBEE,
Secretary-Treasurer.

Montreal, February 22nd, 1937.

Our
Choice Double Recleaned Alberta 2CW Oats
Are Now Available
IN A CLASS BY THEMSELVES
For samples, prices and other information write to Messrs. Chaplin Bros. & Co., of Montreal, Que., The Smith Brokerage Co. Ltd., of Saint John, N.B., or direct to—
GILLESPIE GRAIN CO. LTD., Edmonton, Alta.


Robin Hood Flour
Robin Hood Oats
Robin Hood Mills Limited
MILLS AT
MOOSE JAW
SASKATOON
CALGARY
SALES OFFICES
EDMONTON - VANCOUVER
WINNIPEG - FORT WILLIAM
TORONTO - SAINT JOHN
MONCTON - QUEBEC
MONTREAL

TORONTO ELEVATORS LIMITED
Capacity:
Toronto, 4 Million Bushels
Sarnia, 3 Million Bushels
The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of MASTER FEEDS for Livestock and Poultry. MASTER FEEDS are endorsed and recommended by leaders in the livestock industry of Canada.
Toronto Elevators Ltd.
also Owning and Operating
The Sarnia Elevator Co. Ltd.
QUEEN'S QUAY TORONTO

PARRISH & HEIMBECKER LIMITED
Incorporated 1909
Grain Receivers, Shippers and Exporters
When in Toronto call at our office, King Edward Hotel Building. Direct wire connections, Winnipeg and Chicago markets.
"An old established firm with a reputation for doing business RIGHT"

• STOCKS • BONDS • MINES • GRAIN •
Jackson Bros. GRAIN CO. LTD.
Members Winnipeg Grain Exchange — Winnipeg Stock Exchange — Vancouver Stock Exchange — Canadian Commodity Exchange.
Orders executed over private wires on —
NEW YORK - MONTREAL - TORONTO - VANCOUVER
BRANCHES—VANCOUVER — MOOSE JAW — REGINA — BRANDON — SASKATOON — KENORA — FLIN FLON.
HURON and ERIE BUILDING · WINNIPEG

C. D. HOWE COMPANY LIMITED
Consulting Engineers
Grain Elevators—Flour & Feed Mills—Reports—Appraisals.
SEVENTH FLOOR, WHALEN BLDG.
J. M. FLEMING, Mgr. & Ch. Engr.
PORT ARTHUR, ONTARIO.

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters—All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

GRAND TRUNK PACIFIC ELEVATOR CO. LIMITED
LOCATED AT FORT WILLIAM ON C. N. R. & C. P. R. ELEVATOR ABSOLUTELY FIREPROOF THROUGHOUT. OPERATED BY ELECTRICITY — CAPACITY 5,750,000 BUS.
Frederick B. Wells, President
W. Slater, Vice-Pres. and Gen. Mgr.

From Wagon to Sea-Board —
—Fair and Efficient dealing is the "A.P." Standard of Service.
The ALBERTA PACIFIC GRAIN COMPANY Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

EST. 1857
Grain Merchants Shippers & Exporters
Pioneers IN THE EXPORTING OF CANADIAN GRAIN
JAMES RICHARDSON & SONS Limited
WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON EDMONTON

Lyon Reviews Ontario Hydro Power Supply

Hydro Chairman Believes Reserves Adequate for Years

SOLICITS BUYERS

Existing power reserves and possible additions will provide a safe margin of supplies for the Niagara System for a number of years, according to a survey by T. Stewart Lyon, chairman of the Hydro-Electric Power Commission of Ontario.

The article was written prior to the signing of the new contract for 96,000 to 117,000 h.p. with Ottawa Valley Power Co.

Writing a review "Hydro at the End of 1936" in the January issue of The Bulletin, official publication of the Hydro, Mr. Lyon states:

"The question of importance, especially to the manufacturers of the Niagara System, is that of the adequacy of future supplies. It is not necessary that I should go into details in this brief review concerning the manner in which the Commission proposes to maintain sufficient supplies for future needs in the Niagara System. Briefly, it may be said that there is still a reservoir of 120,000 h.p. of immediate standby and general reserve power, provided for in the revised Gatineau contract, upon which the Commission can draw at any time should the need arise.

Open for New Business

"The Commission will gladly welcome any new industrial firm power contracts that may offer, or enlargements of business under present contracts, in the confident belief that the existing general reserve of power and the possibility of adding to this power reserve from sources within the Commission's control, will provide a safe margin of power beyond the requirements of industry for a number of years."

Mr. Lyon's interpretation of the power situation in the Niagara System, which covers the most active industrial areas of southern Ontario, is as follows:

"On the most favorable construction of the figures, the actual increase in the use of primary power in the Niagara System during the past eight years has been 46,000 h.p., plus whatever amount may reasonably be added because of the fact that distribution is now to a much greater degree than formerly, under the Quebec contracts, from Niagara Falls rather than from the Ottawa River. By the distribution of a larger part of the load from Niagara and a smaller part from the Ottawa transmission, losses have been lessened, it is believed, to the extent of 25,000 h.p.

Comment on Contracts

"It may be pointed out, without entrenching on controversial matters, that this increase of 46,000 h.p. in December, 1936, as compared with December, 1929, is not quite 10 per cent of the total amount added to the supply of power under the contracts with Beauharnois, Ottawa Valley and Maclaren-Quebec, all of which were signed in 1929 and 1930. These contracts called for payment by the Commission as of Nov. 1, 1936, for a total amount of 471,000 h.p. They, therefore, increased the obligations of the Commission to pay for power to an extent 90 per cent greater than the amount the Commission has obtained from the use of such part of the power as could be profitably marketed. As from Nov. 1, 1936, under all the former Quebec-Niagara contracts, the Commission's obligation was to pay $10,965,000 a year for 731,000 h.p. Actually during the year, 1936-37, the Commission will be able to find profitable use for only 180,000 h.p."

As to the Eastern Ontario System, which is also affected by the Quebec contracts, Mr. Lyon says, "There are potentialities in the Madawaska system, the improved Trent development, and the balance of the Gatineau contract for the supply at any time it may be required, of a greater quantity of power than is now being used throughout the entire Eastern Ontario System, so that from Whitby to the boundaries of Quebec, as in the Niagara System, the Commission would welcome any additions that may be offered to the existing light and power loads."

Investing for Profit

This pamphlet gives valuable information for making profitable investments. It names the industries that should improve this year. It also gives the names of mines that should increase ore reserves and milling capacity. All of the estimates made have been correct to date.

By following the plan outlined many of the pitfalls are eliminated.

H. J. Dingman & Company
Limited
Investment Securities
330 Bay Street
Toronto, Ontario

McLAREN-PORCUPINE

Holders of unregistered stock of McLaren-Porcupine Gold Mines Limited are advised to have their shares transferred in their own names in order that they may be informed of important information in connection with the present diamond drilling campaign.

Certificates should be sent for transfer purposes to the Dominion Registrar and Transfer Agency, Limited, 402 Atlas Building, Toronto.

E. M. OXFORD,
Assistant Secretary.

Reward Mining Company

Reward Mining Co. Limited, of 919 Stock Exchange Building, Vancouver, B.C., take this means to advise all registered and unregistered shareholders of the following information:

CAPITAL .... 5,000,000 shares of $1.00 each par value
ISSUED .... 3,446,168 "
IN TREASURY ...... 1,553,832 "

THE DIRECTORS ARE:
C. P. RIEL—President—Mining Operator.
J. D. GALLOWAY, M.E.—Managing Director—Former Provincial Mineralogist for B. C.
S. W. TAYLOR—Attorney—Secretary-Treasurer.
H. McM. FRASER—Civil and Placer Mining Engineer.

PROPERTY ASSETS

75% interest in the mine, mill, railway, docks, etc., on Porcher Island, B.C., recently purchased from the Timmins Mining Corporation of Montreal for cash. This mine has been in operation for three years and the net earnings were over fifty thousand dollars last year from the twenty-ton mill. This property is now amalgamated with the Reward Company's own property, which is immediately adjoining and upon which extensive development has been carried on during the last year. The Company expects to greatly increase the capacity of the present mill and treat the ore from both properties, which it is expected will increase the net earnings to approximately $150,000 per year. Reward also owns five other mining properties in B.C., which are in the Bridge River and Cariboo Districts.

In addition to this, Reward Mining Co. Limited owns 20% interest in its subsidiary company, viz., Reward Oils Limited, which is now drilling a well in Turner Valley Oil Field. The location is 1,700 feet south of the New B. and B. well, which is producing over 2,000 barrels of high-grade crude oil daily. We are very reasonably assured of a big well, and we are drilling this well in co-operation with Model, Spooner and British American Oil Companies. Reward Oils is privately financed and no stock is on the market. Reward Mining Company has no liabilities and sufficient cash in bank to carry out its present programme. Reward stock will be called for trading soon.

Company Reports

Russell Motor Car Co.

Russell Motor Car Co. reports earnings for 1936 equivalent to $12.63 a share on the 7% preferred stock and $2.44 a share on the common stock. Payment of $11 a share on the preferred from 1936 earnings eliminated all dividend arrears, and $1.50 a share was disbursed on the common at the close of 1936.

About $131,000 of income was drawn from dividends totalling 9¾% on shares of Canada Cycle & Motor Co., wholly owned subsidiary. This subsidiary has benefitted from increased sales resulting from revival of the use of the bicycle.

Canadian Acme Screw & Gear Co., the other major subsidiary, had about the same volume as in 1935, says T. A. Russell, president. Prospects for 1937, he says, are encouraging. This subsidiary paid no dividends as earnings were used for additions to plant and equipment and to reduce the amount owing on land and buildings purchased in 1935.

Investments in outside securities had a market value of $462,385 at the end of 1936, compared with book value of $485,507. In recent years only the book value has been stated.

Income and Surplus Account
Years ended Dec. 31

	1936	1935
	$	$
Net profit	151,567	111,812
Less: Pref. dividends	132,040	100,000
Common dividends	12,000	......
Surplus for year	7,527	11,812
Add: Previous surplus	441,689	429,877
Surplus forward	449,216	441,689

Cawthra Apts.

Cawthra Apartments Ltd., Toronto, reports a net profit in 1936 of $2,687 before providing for depreciation, compared with $2,012 in 1935. After providing for depreciation there was a net loss of $3,068. Income from rentals was $43,078, compared with $43,296 in the previous year.

While interest was paid on the 6% first mortgage bonds no interest was paid on the 6% five-year notes.

Current assets at Dec. 31, 1936, totalled $1,131, of which $1,005 was cash. Current liabilities totalled $16,846. Of this amount, $6,068 was unpaid municipal taxes and $10,737 unpaid and accrued bond and note interest. Since the first of 1937 unpaid municipal taxes have been reduced to $1,800.

General Trust

Earnings equal to $6.60 a share on the preferred stock of General Trust of Canada, Montreal, during 1936 were slightly higher than those of the preceding year and sufficient to cover the annual $6 dividend on the preferred. The dividend was the same as that paid each year since 1931 or earlier.

Lower interest rates reacted on income derived from capital investments as well as on earnings of the company but this decrease was offset by results of a further growth in assets under administration. A tendency is also noted toward a higher yield from capital investments.

Guaranteed accounts rose sharply from $1.3 million to $3.7 millions and these were secured by assets which nearly doubled during the year and now stand at $5 millions against $2.6 millions at the close of 1935. Expansion in estates accounts from $42 millions to $46.6 millions was a feature of the year's operations.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital	Net Profits	Div. *Rate	Rate Earned per sh.
	$	$	$	$
1931	1,105,000	99,675	6.00	9.06
1932	1,105,000	85,574	6.00	7.78
1933	1,105,000	87,607	6.00	7.97
1934	1,105,000	69,743	6.00	6.34
1935	1,105,000	71,978	6.00	6.51
1936	1,105,000	72,683	6.00	6.60

Capital stock consists of $1,100,000 and $5,000 common.
*On preferred

Pub. Liabilities and Assets

	1936	1935
	$	$
Guar. accounts	3,678,530	1,315,595
Secured by assets:		
Liquid assets	3,678,530	1,315,595
Net capital ac. assets	1,290,605	1,288,923
Total	4,969,135	2,604,518
Estates, etc.	46,588,526	42,066,104

Royal Trust

Earnings equal to $5 a share on the $20 par value stock of Royal Trust Co., Montreal, in 1936, were the highest since 1931, or earlier and represented an increase of 25 cents a share over the 1935 figure. Dividends were paid at the 1935 rate of $3.20 a share but for the first time since 1931 a bonus of 40 cents a share was paid on Jan. 30, 1937.

Trust funds rose during the year from $6.8 millions to $9 millions and there was a corresponding rise in liquid assets from $5.7 millions to $8.2 millions although mortgages were sharply reduced from $1.1 million to $699,793. Net capital account and assets were $6,754,308, leaving total assets at $16.7 millions compared with $13.3 millions in 1935.

Growth of estate account was marked, showing a gain from $748,846,875 to $762,545,166 at the close of 1936.

Comparative figures follow:

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate† Earned per sh.
	$	$	$	$
1932	5,750,000	393,887	3.20	3.94
1933	5,750,000	403,291	3.20	4.03
1934	6,000,000	483,901	3.20	4.84
1935	6,000,000	475,140	3.20	4.75
1936	6,000,000	500,116	3.20	5.00

†In Feb., 1930, par value of shares was reduced from $100 to $20.
*After all expenses and providing for all contingencies and taxes.

Public Liabilities and Assets

	1936	1935
	$	$
Trust funds, etc.	8,911,346	6,756,594
Secured by:		
Liquid assets	8,211,555	5,646,191
Mortgages & int.	699,793	1,110,403
Net capital acc. & assets	6,754,308	6,574,192
Total	16,665,656	13,330,786
Estates, etc.	762,545,166	748,846,875

Ottawa Traction

Ottawa Traction Co., holding company for Ottawa Electric Railway Co., reports a total income for 1936 of $241,592, compared with $246,558 in 1935. After taking care of expenses and bond interest, net income was equivalent to dividend, as was the case in 1935.

The operating company reports an increase in gross receipts of $23,088. General expenses are reduced and after payment of bond interest and depreciation, there was a surplus of $132,192, or almost $8,000 better than in 1935.

The balance sheet shows a decline during the year in funded debt from $2,390,500 to $2,301,000.

Income and Surplus Account
Years ended Dec. 31

	1936	1935
	$	$
Gross revenue	241,592	246,558
Less: Misc. expenses	2,165	2,229
Directors' fees	720	700
Bond interest	126,555	131,477
Net income	112,152	112,152
Less: Dividends	112,152	112,152
	.....	.....

Massey-Harris Co.

Massey-Harris Co. and subsidiaries for the year ended Nov. 30, 1936, show bond interest covered 2.5 times after depreciation and bank interest, and a reduction of $1,362,280 in the loss from the 1935 figure of over $1.4 million.

Changes in the balance sheet include reduction of the outstanding 5% bonds by $100,000 to $8.6 millions and a decrease of $58,000 to $320,900 in outstanding bonds of the subsidiary, J. I. Case Plow Works. Reserve of $1,640,000 for foreign exchange and contingencies is at a new high level, showing an increase of some $543,000 in the year. Although there is a reduction of cash among current assets and a return of bank loans in current liabilities, these changes are accounted for by higher inventories and accounts receivable which reflect increasing business. T. A. Russell, president, comments that a greater volume of cash sales in certain territories had the effect of lessening amount added to receivables in the year. The increase of receivables over 1935, he says, is therefore comparatively small in view of the increase of over 30% in sales.

Comparative figures, with details of working capital, are as follows:

Income and Surplus Account
Years Ended Nov. 30

	1936	1935
	$	$
Income from oper'ns	2,393,951	849,762
Less: Exchange prov.	808,392	643,250
Exec. salaries	52,280	65,973
Legal fees	6,356	1,871
Net oper. income	1,526,923	138,668
Add: Inv't income	202,519	137,046
Less: Directors' fees	3,580	4,050
Total income	1,725,862	271,664
Less: Depreciation	474,199	419,080
Int. on borrowings	114,403	69,657
Bond interest	456,001	460,376
For'n income tax	54,991	46,761
Pension fund	129,549	106,211
Prov. doubtful debts	555,133	590,273
Net loss for year	58,414	1,420,694
Add: Prev. deficit	22,123,714	20,703,020
Deficit forward	22,182,128	22,123,714
Working Capital Details		
Current assets:		
Cash	689,929	1,258,077
†Receivable acc's, bills	10,926,803	10,109,914
S. Amer. treas. notes	357,853	386,209
Marketable sec's	......	104,858
*Inventories	10,694,580	8,895,681
Total	22,669,165	20,754,739
*After conting. res.	2,355,622	2,684,823
†After reserve	3,836,928	4,308,475
Current liabilities:		
Bank loans	1,136,238	......
Acc'ts payable	1,119,312	1,129,392
Commissions due	862,372	795,726
Res. for taxes	277,814	206,170
Total	3,395,736	2,133,288
Working capital	19,273,429	18,621,451

Brewing Corp. of Canada

A small profit toward dividends is shown by Brewing Corp. of Canada for the three months ended Jan. 31, 1937, contrasted with a deficit before dividends in the same period a year ago. The earnings amounted to approximately nine cents a share on the preferred compared with a loss of about 18 cents a share in the comparable period a year ago. Earnings continue short of the half dividend rate on the preferred of $1.50 a share annually, or 37½ cents quarterly.

Improvement of nearly $99,000 in working capital at Jan. 31, 1937, compared with Jan. 31, 1936, is reported.

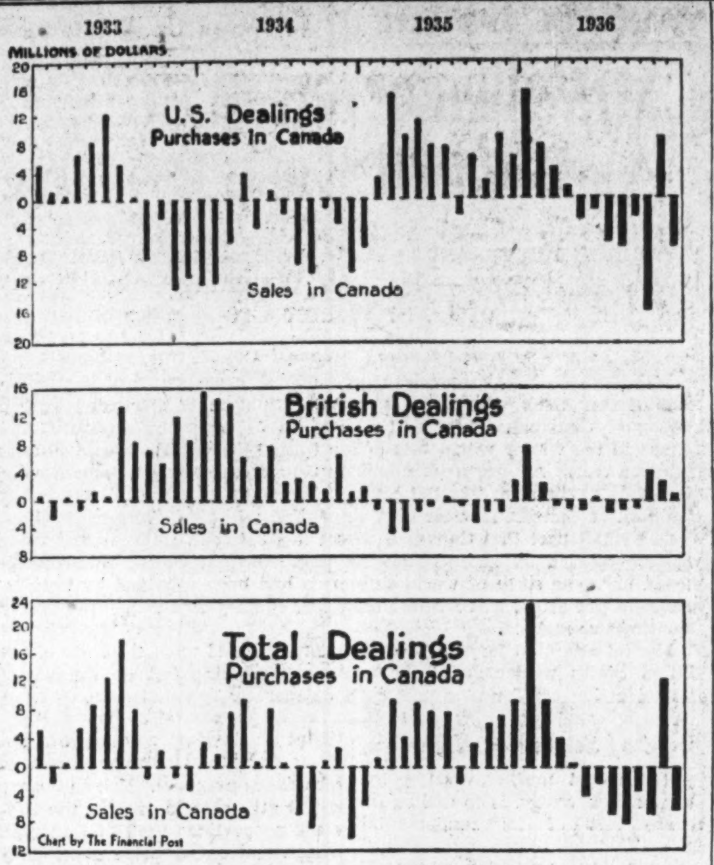
Profit and Loss Account
Three Months Ended Jan. 31

	1937	1936
	$	$
Profit from oper.	598,358	585,923
Misc. income	31,591	5,805
	629,949	591,728
Less: Taxes	515,153	509,876
Interest	24,094	16,961
Depreciation	75,774	94,621
Net profit	14,928	*29,730

* Deficit.

Working Capital

	1937	1936
Current assets	2,584,476	2,541,138
Current liabilities	1,017,855	1,073,073
Net working capital	1,566,621	1,468,065



BRITAIN BUYS CANADIAN, U. S. SELLS

In contrast with 1935, British investors were net buyers of Canadian securities in 1936; and the United States became a net seller instead of a net buyer. Total security dealings, as reported by the Dominion Bureau of Statistics, show a tendency toward net sales by outsiders in the later months of 1936.

Income Tax Problems

The owner of a farm property on which I hold a mortgage recently decided to let me have the property and gave me a quit-claim deed. The dwelling on the property had become unfit for human habitation and I had it torn down, using part of the material, with new material, to erect a new frame building at a cost of $600.

Can I secure exemption for this $600 in making my income tax return? Also, can I secure exemption for moneys spent on dwellings on farms which I own but which are farmed by tenants?

No exemption would be allowed for the $600 spent on the new dwelling since that sum is a capital expenditure and retained in the form of an investment in the dwelling itself.

But the usual annual depreciation allowance may be made in future income tax returns, compiled on a fair valuation based on the cost of labor and materials involved in erection of the building.

Since $600 was the original cost it may be regarded for practical purposes as also a fair valuation for income tax purposes and because the dwelling is of frame construction it is subject to the annual allowance of 5% for depreciation. Had it been of brick construction the annual depreciation exemption would have been only 2½%.

Exemptions on moneys spent on dwellings on tenants' farms differ according to whether the money is spent for repairs or for permanent improvements to the structures. There is an important difference, for example, between expenditures for repair of a roof, verandah or wall, exposed to ordinary wear and tear and the expenditure of money on a new sun-room, garage or other permanent addition which is regarded by taxing officials as capital expenditure.

Ordinary repairs are charged as expenses against rentals and as such they are exempt, but improvements of a type that can be regarded as capitalized become part of the building and are subject only to the ordinary annual depreciation allowance as part of the depreciation allowed on the entire building.

The equity of the allowance for ordinary repairs as distinct from capital expenditures is, of course, based on the principle that the former are legitimate offsetting items which, presumably paid out of revenue from rentals, cancel a part of the income from rented dwellings. The reverse is true when expenditures are made for permanent improvements, additions and extensions to the dwelling because such expenditures may reasonably be regarded as increasing the rental value and revenue-producing qualities of the property.

The same principle, in different form, applies to the erection of a new dwelling where as in the case noted above, an expenditure of $600 is in reality an investment from which rentals may be derived. In such circumstances the annual depreciation allowance, representing the gradually lessened earning power of the capitalized $600, is the only form of exemption allowed for income tax purposes.

Life Companies' Position Better

The position of life insurance companies has been materially affected by the invalidating of the Alberta debt adjustment legislation. The companies stood to lose from two angles: First, from the loss on interest arrears which were to be applied against the principal of debts; secondly, from the extension of loan repayments over a period of years.

It is understood that the life companies have provided against such possible losses to a considerable extent. Annual statements were drawn up on the assumption that the debt legislation might be declared valid. Reserves have been set aside to cover most of such losses, and most of the companies have gauged their dividend policies accordingly.

As a consequence, the actual financial position of the companies, now that the legislation is invalid, is better than is indicated in their published annual statements. It is considered unlikely, however, that the companies will take any action based on the decision. The view is taken that they are not out of the woods yet, and that further debt legislation by the Alberta Government is a possibility.

Foreign Exchange

The foreign exchange situation remains fundamentally unchanged. The French franc continues to be the centre of interest, with the outlook steadily becoming more unfavorable. That there will be further franc devaluation, perhaps below the level set last fall, is almost generally accepted, apart from official French quarters in France.

Sterling has been somewhat easier due largely to general uncertainty of the future of the international stabilization agreement, and also, to some extent, to the cost of Great Britain's rearmament programme.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	Feb. 16	Feb. 17	Feb. 18	Feb. 19	Feb. 20	Feb. 22
U. S. Dollar, High	1.00 1/16	1.00 1/16	1.00 1/16	1.00 1/32	1.00 1/32	1.00 1/64
Low	1.00 1/32	1.00 1/32	1.00	1.00	1.00	1.00
1936 High	.99⅞	.99 15/16	.99 31/32	.99 31/32	.99 15/16	.99 29/32
Low	.99 13/16	.99 25/32	.99 25/32	.99 27/32	.99 27/32	.99 27/32
U. K. pound	4.90	4.89¾	4.89¾	4.89½	4.89½	4.89¼
Australia	3.92	3.92	3.92	3.91¾	3.91¾	3.91½
Austria	.1873¼	.1873¾	.1873¼	.1872½	.1872½	.1872½
Belgium	.1688¼	.1687½	.1687½	.1687	.1687	.1689
Brazil	.0615	.0615	.0615	.0615	.0620	.0615
Czechoslovakia	.0349¼	.0349¼	.0349¼	.0349¼	.0349¼	.0351
Denmark	.2188¾	.2187¼	.2186¼	.2186½	.2186½	.2188
France	.0466¼	.0466	.0466	.0465½	.0465¼	.0465½
Germany	.4026	.4026	.4026	.4024¾	.4024¾	.4033
Greece	.0090	.0090	.0090	.0090	.0090	.0091
Holland	.5470½	.5469½	.5471½	.5472¾	.5471¾	.5478
Hungary	.1976¼	.1976¼	.1976¼	.1975½	.1975½	.1960
India	.3707¼	.3706¼	.3705¼	.3703¼	.3702¼	.3702¼
Italy	.0526¾	.0526¾	.0526¾	.0526½	.0526½	.0528
Japan	.2859¾	.2859¾	.2859¾	.2857¾	.2857¾	.2858
Jugoslavia	.0233½	.0233¾	.0233¾	.0233½	.0233½	.0235
New Zealand	3.95	3.95	3.95	3.94¾	3.94¾	3.94½
Norway	.2463½	.2462	.2461½	.2461¾	.2460¾	.2462
Poland	....	.1896	.1896	.1895	.1895	....
South Africa	4.89	4.88¾	4.88¾	4.88½	4.88½	4.88¼
Sweden	.2527½	.2526½	.2525½	.2525¾	.2524¾	.2526
Switzerland	.2283½	.2283	.2283½	.2283½	.2283¾	.2285
Hong Kong	.3042	.3045	.3043	.3043	.3042	.3042

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.85	5.00
Can. Invest. Fund	4.90	5.25
All Can. Trustee	16.00	17.00
Trans-Canada	16.05	...
Grouped Income	6.86	7.50
Can. Equity	13.00	...
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.50	6.00

Aberhart Asks Fair Treatment For Province

Appeals to Ottawa After Announcement of Aid for West

ALBERTA IGNORED

From Our Own Correspondent

EDMONTON.—A prompt request that there should be no discrimination against Alberta was addressed to Ottawa by Premier Aberhart following announcement by Prime Minister King that "immediate financial assistance is necessary" for Manitoba and Saskatchewan, pending the findings of a commission to enquire into taxation in Canada.

The direct charge in the House of Commons by Rt. Hon. R. B. Bennett, leader of the Conservative Opposition, of discrimination against Alberta, which was denied by Hon. C. A. Dunning, Minister of Finance, was not confirmed by Mr. Aberhart.

Mr. Aberhart was asked: "In your opinion, has there been discrimination against Alberta?"

He replied: "I will leave that to the people to judge for themselves."

Aid Twice Refused

Mr. Aberhart pointed out that he had applied for Federal aid in meeting two maturities, now in default, and had been refused.

The first instance referred to by Mr. Aberhart, in which he failed to secure Federal aid, was in connection with the $3.2 millions maturity on April 1, 1936, to meet which Alberta had only $550,000 on hand. Several days of almost continuous negotiation with Ottawa preceded the default, and the belief was held in Government circles up to the last day that Ottawa would come to the rescue as it had on Jan. 15, 1936.

The difference between Edmonton and Ottawa rested on the Dunning loan council proposal, which involved Federal supervision of provincial borrowings in return for assistance. The position, as it was understood in Edmonton, was that Mr. Aberhart wanted Ottawa's help but could not, in view of opposition within his caucus, agree to Ottawa's terms. This made default inevitable. While the main issue was the loan council, the situation was complicated by the Social Credit Government's compulsory refunding legislation, then in process of passage. The required full accord among all provinces lacking, the loan council plan dropped out of sight. Of this maturity, part has been redeemed, and about $2,846,000 is believed still in default.

Second Default

On Nov. 1, 1936, Alberta again defaulted, this time on a maturity of $1,250,000 to meet which only $844,000 was on hand. The Aberhart Government applied both to the Federal Government and the Bank of Canada, and was refused. At that time, Mr. Dunning's reply was that he had no power to advance money to the province for purposes other than relief. Previous Federal advances for non-relief purposes were made under Ottawa's extraordinary "peace, order and good government" powers, which the King Government did not renew in extending the Federal Relief Act last year.

Alberta has another maturity of $1.6 million falling due on June 1 next.

Bank Considers Debt Proposals

Towers Gives Opinion on Alternatives to Commission

Recommendation that a royal commission investigate the financial basis of confederation was made by the Bank of Canada only after consideration of alternative proposals for dealing with the problems of Manitoba and Saskatchewan. These proposals, as outlined in a letter from Graham F. Towers, governor of the central bank, to Premier John Bracken, of Manitoba, are as follows:

1. Refunding of outstanding debt by the issuance of new securities guaranteed as to principal and interest by the Dominion Government.
2. Refunding of outstanding debt by the issuance of new securities guaranteed only as to interest for a temporary period by the Dominion Government.
3. Refunding of high coupon bonds by the issuance of new securities guaranteed by the Dominion Government, the provincial subsidy being pledged as security for the guarantee.
4. The same procedure as outlined in three, with the exception that assignment of the subsidy would constitute the bondholders' protection, and the Dominion guarantee would not be attached.

In respect to these, Mr. Towers states that none of the four represents a solution to the problems, including relief, and that all but the first involve a severe blow to provincial credit.

Easy Washing Sales

Sales of Easy Washing Machine Co. for the first six weeks of 1937 were 35% above the same period of 1936, and earnings advanced accordingly, it was reported at the annual meeting.

JAMES RICHARDSON & SONS

The Future
of
Canadian Mining
BASE METALS

"Our mineral resources, especially the metallic minerals, offer, during the next ten or fifteen years, perhaps the best opportunity in Canada for profitable development."

A Review

of the Copper, Lead, Zinc, Nickel and Chromium Industries of the world with special reference to the Base Metal Industry and Leading Producers of Canada has been prepared by our Statistical Department.

Copies of this book are available on request to interested clients.

JAMES RICHARDSON & SONS
STOCKS — BONDS — MINES — OILS — GRAIN
WINNIPEG
MONTREAL TORONTO VANCOUVER
And other leading Canadian Cities
Private Wire Service.

LISTED AND UNLISTED SECURITIES
ORDERS EXECUTED
on all exchanges
DIRECT
PRIVATE WIRES TO
TORONTO, NEW YORK
and Branch Office at
AMOS, Que.

McFETRICK & COMPANY
Members Montreal Curb Market
Canadian Commodity Exchange, Inc.
132 ST. JAMES ST., MONTREAL
Branch Office: AMOS

Drilling Now in Progress
at the Sturgeon River property of
DON MARTIC

Crews are working 24 hours daily, pushing drilling campaign that has so far encountered favorable results, with commercial ore indicated. We advise you to write for complete reports at once.

BUY NOW — AT THE MARKET
Coupland-Jarvis & Co., Ltd.
34 King Street East, TORONTO, CAN.
Telephone WAverley 2354

CENTURY MINING

IN CADILLAC — 15 claims bounded by Pandora Cadillac, Maritime Cadillac, Pan Canadian, St. Pierre & AMM Cadillac.

IN FLIN FLON — Two properties, one with 90,000 tons of ore proven by 4,547 feet of diamond drilling is now being prepared for early production.

Complete Data Awaits Your Request

CENTURY MINING CORPORATION LTD.
445 St. Francois Xavier Montreal

ANNOUNCEMENT

A public offering will shortly be made of an issue of stock of a company developing a property in the Malartic Gold area, Province of Quebec. The record of Canadian Malartic, Sladen Malartic, East Malartic and Malartic Goldfields, operating in this area, would commend the details concerning this issue to the attention of mining investors. A prospectus will be forwarded upon request.

Colling Securities Corporation
Limited
357 BAY ST. ADELAIDE 7441 TORONTO

Week in Mining

Rising Prices Make Golds Less Popular

Swing to Oils and Base Metals Still Continues — Slow Decline Marks Movement of Gold Stocks

The slow decline noticeable in gold stocks since the first week in February has continued, although, of course, individual stocks have gained. Copper stocks and oils, however, have continued active, and have maintained the boom appearance of the market.

Whether or not the swing away from golds is a long or a short-term trend, is difficult to discern. It appears, however, to be based on two factors; first that speculative capital appears to be becoming more and more interested in the base metals and the oils, and secondly that there is a growing conviction among many observers that, because of the declining purchasing power of gold, the margin of profit enjoyed by the producing gold stocks has seen its widest point.

Fortunately for the market, the prebudget hysteria of former years has been obviated this year.

Hollinger's Costs

THE OPINION is frequently expressed now that higher operating costs are going to reduce the margin of profit enjoyed by Canada's senior gold producers as a result of generally rising commodity and labor costs.

It is, therefore, interesting to note how Hollinger's costs, as revealed in the recent annual report, compare with last year's costs. One year, of course, is hardly sufficient evidence on which to base a theory, but it is generally known that the costs of most producers, including Hollinger, have been rising for some years, due largely to higher taxation.

Including taxes, depreciation, and write-offs (not shown in the detailed analysis of costs carried in the annual report). Hollinger's overall costs in 1936 work out to about $5.31 per ton of ore milled. In 1935, on a similar basis, costs were $5.40 per ton.

In 1935, however, Hollinger paid the equivalent of 31 cents per ton for the bullion tax, which has since been removed, and does not show in the 1936 statement. The bullion tax was, it is sincerely hoped, a non-recurring item, and eliminating for the sake of comparison from 1935 costs, it will be seen that in 1936, Hollinger's costs were some 22 cents per ton higher than in 1935.

In the case of this particular company, higher grade may now be expected, since it is apparent from the report that Hollinger has virtually completed the "cleaning-up" process at the upper levels. This increased grade will, of course, tend to offset possible rising costs. In addition, it is believed that the new equipment to be added to the primary grinding units well reduce costs noticeably.

• • •

Buffalo Ankerite Report

BUFFALO ANKERITE has turned in a nice looking report for the fiscal year ended Dec. 31, 1936. As noted elsewhere, ore reserves, earnings, equipment and financial position all reflect improvement.

Last year this company paid dividends totalling 20 cents per share. These were distributed quarterly, at the rate of five cents per quarter. However, with the quarterly payment made Feb. 15, this quarterly dividend was raised to 12½ cents per share, indicating an annual rate of 50 cents a share.

With only $117,996 remaining to be paid of preproduction development, this company appears to be in a strong position to maintain this dividend rate.

• • •

Index to Mining Stocks

BASE METALS took the centre of the mining stock stage recently, when higher prices in base metal commodity markets served as a stimulus sufficient to recover most of the sharp losses suffered during January. Gold stocks, on the other hand, were generally weaker, the largest declines occurring among the well-established producers. Trading volume in mines recovered slightly in the closing days of the week after dropping to the lowest levels of the past year. The Dominion Bureau of Statistics' index of 24 mining issues was depressed by the gold section from 175.1 to 174.7 between the weeks ended Feb. 11 and 18. The gold index fell from 140.3 to 138.5, while base metals mounted from 318.6 to 328.3.

Hours of Work Bring Chagrin

The statistical department of a large Toronto brokerage firm is both embarrassed and chagrined.

Recently the chief statistician received word from the head of the firm to the effect that a London paper wished an article on Canadian mining.

With visions of making the front page in the London Times or the Daily Express flitting through his mind, the chief statistician summoned his cohorts, and went to work. Laboriously, Canadian currency figures were translated into sterling. Dividends per share, recoveries per ton, costs and gross figures were painstakingly translated into pounds, shillings and pence at the current rate of exchange.

After some hours overtime, the article was finished, and sent up to "the boss."

The result was a scathing, bitter memo from the head of the firm, who wanted to know how the statistical department thought the residents of London, Ont., would appreciate reading figures in sterling.

Darwin Production Reaches New High

Production of Darwin Gold Mines reached a new high of $25,236 in January, according to the monthly report of Dr. M. H. Frohberg, mine manager. From this production, a net operating profit of $6,089 is shown. Mill heads for the 1,280 tons of ore treated ran $20.61. Net mining and milling costs were $6.39 per ton compared with an average of $8.59 during 1936.

Higher Grade At Hollinger Raises Profits

Earnings Per Share $1.18 in 1936 Period

RESERVES MAINTAINED

Treating a higher grade of ore, Hollinger Consolidated Gold Mines, pioneer Porcupine producer, last year earned the equivalent of $1.18 per share, annual report for the fiscal year ended Dec. 31, 1936, shows. In the 1935 fiscal year, despite somewhat more tonnage treated, earnings per share amounted to $1.05.

Ore reserves were fairly well maintained, standing, at the end of 1936, at 7,257,257 tons averaging about $11.90 at $35 per ounce gold. This tonnage, on the 1936 rate of operations, would be sufficient to supply the mill for over four years.

In the past year, 1,755,768 tons of ore were treated, from which a net recovery of $14,530,414, or $8.27 per ton was obtained. In the 1935 period, recovery per ton amounted to $7.69.

To Reduce Costs

Experiment on grinding carried out in the past year has convinced the manager that saving in costs could be effected by installation of new equipment. John Knox, general manager, reports that dimensions of the present mill structure do not allow efficient installation of the new equipment. This, coupled with the fact that recent exploration has indicated a considerable quantity of ore under the grinding units, resulted in a decision to erect a new primary grinding building 500 ft. west of the present plant. It is expected that this change will be made during the year. The ore remaining in the pillars around the central shaft above the 800-ft. level has an estimated value of around $9 millions, and it has therefore been decided to sink a new shaft 1,500 ft. north of the central shaft.

A decrease of $900,000 in the value of the reserves is largely accounted for by the fact that prospecting was directed to less favorable areas in order to complete the cleaning up of the upper levels.

No stoping has been done below the 2,750-ft. levels.

Young-Davidson

At Young-Davidson Mines, Hollinger's subsidiary in the Matachewan area, 301,163 tons were milled with a recovery of $2.97 per ton. From this operation, $208,585 has been applied on account of Hollinger advances.

At this property, Mr. Knox reports, the 262-ft. level has been prepared for stoping.

Ross Mine

At the Ross mine, in Hislop Twp., no new ore discoveries were made during the year but a development drift is being driven along a fault to the south to investigate interesting drill hole intersections.

At this property, 27,540 tons of ore were milled during the year, giving a recovery of $8.20. Profit from this operation amounted to $27,790.

Harwood and Lang

At Harwood Lake, development has not as yet resulted in the discovery of commercial ore bodies, but diamond drilling is being carried on to the east to investigate the possibilities of this area.

At the Lang property, east of Pamour in the Porcupine field, and under option to Hollinger, a shaft has been sunk to the 220-ft. level and 1,000 ft. of development completed. Sufficient work has not been done, Mr. Knox states, to make any definite predictions as to the merits of the property.

Outside Exploration

Referring to outside properties explored, A. F. Brigham, consulting engineer, states that 164 examinations were made, of which 147 were in Ontario, 16 in Quebec, and one in the Northwest Territories. A limited amount of work was done on some of these properties, but nothing was discovered to justify further expenditures. Prospecting, development and exploration of outside properties, exclusive of Young-Davidson, and Ross Mines, involved an expenditure of $352,000.

In the balance sheet of Hollinger Consolidated, as at Dec. 31, 1936, current assets total $3,036,804, including cash of $855,658 and Dominion of Canada provincial and municipal bonds at cost of $878,082. Current liabilities total $1,532,684, leaving a working capital of $1,504,120. At the end of the 1935 period, working capital on a similar basis amounted to $1,743,796.

In addition to investments in bonds, the balance sheet shows investments through International Bond & Share Corp., wholly owned subsidiary, at a cost of $3,367,860. Market value of this stock is shown at $7,411,427.

Following is the income and surplus account for the company covering the two years 1935 and 1936:

INCOME & SURPLUS ACC'T
Years Ended Dec. 31

	1936 $	1935 $
Gold & silver produced	14,530,414	14,704,625
Add: Premium on gold in process	75,762	......
Less: Dom. Govt. tax on bullion	......	577,784
	14,606,176	14,126,841
Less operating expenses:		
Mining charges	5,967,559	5,979,810
Milling charges	1,189,672	1,189,389
General charges	650.041	679.679
Marketing charges ..	159,932	106,307
Taxes	1,040,671	856,089
Workmen's compensation	123,362	141,923
Silicosis assessment .	59,130	130,779
Net oper. earnings ...	5,415,809	5,042,865
Add non-oper. earnings:		
Int. on invests. and other inc.	219,106	220,373
Profit on sale of secs.	349,105	34,844
Total net earnings	5,984,020	5,298,082
Less reserves:		
Plant depreciation .	52,875	23,709
Invests. in other cos. & props w/d	6,882	4,917
Exps. on props. abandoned	125,519	219,954
Net profit	5,798,744	5,049,502
Less: Dividends	5,412,000	4,428,000
Surplus for year	386,744	621,502
Add: Previous surplus	5,924,515	5,303,013
Bal. carried forward ..	6,311,259	5,924,515
Earnings per Share and Dividend Record:		
Earned	$1.18	$1.03
Paid	0.65+0.45	0.65+0.25
Shares Outstanding ..	4,920,000	4,920,000

Stadacona Rouyn Mines Steps Up Mill Output

From Our Own Correspondent

MONTREAL.—Following a step-up in milling operations from 200 to 220 tons daily, Stadacona Rouyn Mines announces that orders have been placed for a large classifier and another tube mill which will permit a further increase in ore treatment to 300 tons daily. The mill will be ready to handle the larger tonnage in a few weeks, since this new equipment can be installed quickly and at comparatively small cost.

The value of output to the end of February will amount to approximately $100,000 since commencement of milling last November. Much of this production comes from development rock. With mill head currently running around $10 and daily tonnage 220 tons, the present monthly production rate is between $65,000 and $70,000.

York Oils Offers Stock In Vancouver and Montreal

From Our Own Correspondent

MONTREAL.—C. M. Oliver & Co., Vancouver, and Wright, Henderson & Co., Montreal, are making a public offering of 750,000 treasury shares of York Oils Ltd., at 50 cents a share. Proceeds of the issue are said to be sufficient to provide funds for the immediate drilling of two wells to the producing horizon. The development programme calls for drilling of two additional wells if the first two are successful.

York Oils controls 160 acres of oil leases in section 20 on the west flank of Turner Valley. The drilling rights are held subject to 10% royalty on the first 500 barrels daily production with an additional 5% daily average in excess of 500 barrels. Any production will be subject to the usual provincial royalties

Believe Clerno Structure Similar to McWatters Gold

Preliminary step in an extensive programme of underground development, a shaft has been started on the property of Clerno Mines, adjoining McWatters Gold Mines, in Rouyn Twp., Quebec, J. S. Stratton, vice-president, reports. Drilling operations carried out last summer indicated similar structure to that on McWatters, Mr. Stratton states.

To Feb. 1, a total of 503 ft. of lateral work has been done on the new 125-ft. level, Work on this property is closely related to the development of the adjoining McWatters, and results of development work there, on the 400-ft. level, together with encouraging results encountered on the Clerno property above 150 ft. have indicated the necessity of extending the present underground programme.

Obalski Mining Corp has let a drilling contract for its Cachee Bay property. This programme will be followed by shaft sinking and underground work this summer.

List Maralgo At Toronto

Company Is Consolidation of Several Long Lac Groups

Maralgo Mines, a consolidation of Lake Maron Gold Mines, Algoma Mining & Finance, Greater Canada Mines Corp. and Langmuir Longlac Gold Mines, has been listed on the mining section of The Toronto Stock Exchange, trading having started Feb. 22.

Maralgo has an authorized capitalization of three million shares, $1 par value. Of this, 2,140,005 shares have been issued.

Under an agreement dated Feb. 6, 360,000 shares were optioned to the Federal Trading & Agency Co. Under this agreement, 160,000 shares are due to be taken up by May 15, 1937, at 40 cents a share, and 200,000 shares at Aug. 15, 1937, at 50 cents per share.

The balance sheet at Feb. 5, 1937, includes in current assets, cash, $174,618 and accounts receivable of $38. Current liabilities are confined to accounts payable of $1,097.

Schedule of investments in other companies, shown on the balance sheet at a book value of $225,767, is as follows:

Maralgo Portfolio

Company	No. of shares
White Horse Gold Mines	225,000
Jellicoe Consol. Gold Mines	250,000
Glenora Gold Mines	130,000
Oremond Gold Mines	25,000
Longlac Lagoon	150,080
Elmos Gold Mines	21,045
Altar Con. Gold	10,000
Circle Minerals	50,000
Metropolitan Gold	50,000
Yuma Goldfields	100,000
Traverse Long Lac	650,000

In addition to the above shares, the company has a cash investment in South American Areas Ltd. shown at $30,000.

Directors of the new company include Stanley G. Tobin, president; T. M. Mungovan, vice-president; T. J. Day, secretary-treasurer; W. G. Chipp, and Frank Bell, directors.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

AMOS, BARBER & COMPANY
MEMBERS THE TORONTO STOCK EXCHANGE
25 King St. West - EL.3106 - Toronto, Ont.
28 years' intimate and active experience in Canadian Mining

J. E. GRASETT & CO.
Members
THE TORONTO STOCK EXCHANGE
UNLISTED DEPARTMENT
Special attention given to the execution of orders on a commission basis.
302 BAY STREET. WAverley 4781. TORONTO
Branch: 2822 Dundas Street West. JUnction 1167

UNDER THE MANAGEMENT OF OFFICERS AND DIRECTORS WHO HAVE BEEN ASSOCIATED WITH WELL KNOWN COMPANIES
CALMONT - COMMONWEALTH PETE - COMMOIL
and NOW WE OFFER YOU
COMMAND OILS LIMITED
120 ACRES 80 ACRES ON TURNER VALLEY WEST FLANK
40 ACRES ON HIGHWOOD STRUCTURE

Freehold
Consolidated Development Co
Royalite
British Oil
Anaconda Oil Co
West Turner Petroleum
COMMAND OILS LIMITED
Commoil Ltd.
Rand Oils
Vaux Bury Wine
York Oil Development
Sunset Royalties
Monarch Royalties
Sundance Royalties
Frontier Royalties
Sold
Producing & Drilling Wells shown thus
Well locations

CAPITALIZATION
AUTHORIZED CAPITAL: 2,500,000 Shares, no par value,
ISSUED FOR PROPERTY 550,000 Shares (held in escrow).
THIS ISSUE: 1,300,000 Shares of which 90,000 have been issued.
IN TREASURY: 650,000 Shares

OFFICERS AND DIRECTORS
President: H. GREENFIELD (President Oil and Gas Association; Vice-President Calmont Oils Ltd.)
Vice-President: REG. G. SMITH (Vice-President J. J. Gibbons Advertising Agency; Director Calmont and Commoil).
Sec.-Treas: J. COXON (Sec.-Treas. Calmont Oils; Director Share Royalties).
Directors: E. L. BAKER (Baker, Rigaux & Co., Ltd.; Director Spokane Breweries Inc.)
C. J. STEWART (Oil Operator).

Officers of Commonwealth Petroleum and Commoil Limited to be elected to the Board shortly.

All stock issued for property is held in escrow until released by order of the Board of Public Utilities of Alberta.

Drilling will be undertaken as soon as weather conditions permit. It is the Company's intention to use a heavy-duty Rotary Drill under competent and experienced drillers.

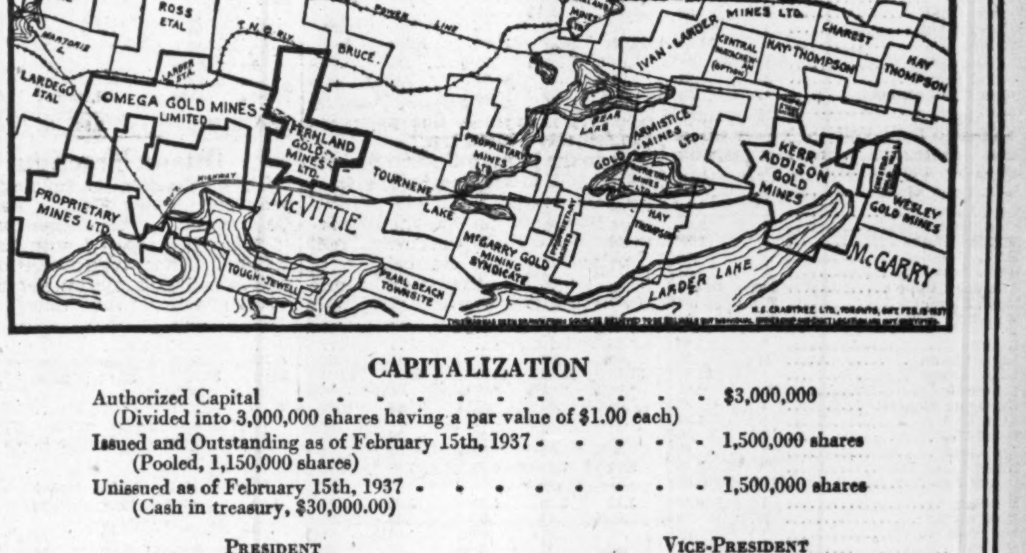
There is twenty per cent Royalty against the Turner Valley Lease, including the Government ten per cent.

GEOLOGICAL REPORT
RUSSELL V. JOHNSON, Consulting Geologist.
"The potential value of leases on the west flank of the Turner Valley fold has been conclusively proven . . . Information now available from well data shows a decreased dip in the lower formation as compared with the attitude of the beds nearer the crest towards the east. For this reason it is to be expected that drilling depths will be less than had formerly been expected. . . . In addition to production from the limestone on your lease it is quite probable that commercial production may be obtained from the lower Dalhousie or 'brown sand.' Wells drilled near the crest of the Turner Valley fold have obtained considerable quantities of crude oil. . . . Exceptionally good porosity was encountered in the lower producing horizon of the limestone in recently completed wells and it is to be expected that similar conditions are present beneath your lease. . . . The depth should not exceed 6,900 feet."

PROPERTY LOCATION
Property is located one half mile west of B. & B. and Turner Valley Royalties crude oil producers; immediately adjoins Commoil Limited where operations are under way, and north by west of Foundation Royalties. Geologists say leases can produce crude oil in Dalhousie Sands in commercial quantities as well as in the limestone.

PRICE 35c PER SHARE
FISCAL AGENTS
BAKER, RIGAUX & CO. LIMITED
GRAIN EXCHANGE BLDG.—IN CALGARY, ALBERTA

This present offering having been over subscribed this Advertisement appears as a matter of record only and is not an offering of shares for sale.
200,000 Shares
FERNLAND GOLD MINES LIMITED
(No Personal Liability)
Incorporated under The Ontario Companies Act



CAPITALIZATION
Authorized Capital $3,000,000
(Divided into 3,000,000 shares having a par value of $1.00 each)
Issued and Outstanding as of February 15th, 1937 . . . . . . 1,500,000 shares
(Pooled, 1,150,000 shares)
Unissued as of February 15th, 1937 . . . . 1,500,000 shares
(Cash in treasury, $30,000.00)

PRESIDENT
G. P. CAMPBELL
Director, Campbell Mfg. Co. Ltd.
Toronto, Ont.

VICE-PRESIDENT
GEORGE TOUGH
Mining Development
Toronto, Ont.

DIRECTOR
HOWARD J. JEWELL
Mining Engineer
Noranada, Que.

DIRECTOR AND SECRETARY-TREASURER
W. B. McPHERSON
Solicitor
Toronto, Ont.

DIRECTOR
W. J. HUSSEY
Director Capital Trust Corporation Ltd.
Toronto, Ont.

JOINT MANAGING DIRECTORS
HOWARD J. JEWELL, M.E., and GEORGE TOUGH

SOLICITORS
McPHERSON & CO.

TRANSFER AGENT AND REGISTRAR
PREMIER TRUST COMPANY
Toronto, Ont.

HEAD OFFICE
171 Yonge St., Toronto, Ont.

The following excerpts are taken from a report by Mr. Howard J. Jewell, M.E., February 11th, 1937.

PROPERTY—"The property consists of a group of twelve claims, approximately 500 acres, located in McVittie Township, Ontario, and one claim located in McGarry Township, Ontario."
"The group is located immediately to the east of Omega Gold Mines Limited."
GEOLOGY—"The predominating rocks on the property are Keewatin Lavas which have been closely folded with Timiskaming sediments along an east-west axis. These form a syncline traversing east and west through the centre of the property with the axial plane dipping to the south about 75 degrees. Diorite porphyry occurs on the property and is part of a large mass to the southwest."
"Alteration of parts of the Keewatin and Timiskaming rocks has produced what is referred to as dolomite. Iron pyrite is common in the dolomite and occasionally gold is found in the quartz."
ORE DEPOSITION—"The ore has been formed by replacement of the Keewatin lava by calcite, quartz hematite, pyrite, arsenopyrite, and some albite and sericite. Later jointing and faulting has produced newer fissures which are filled with calcite quartz mixtures. The composition of the vein material indicates it to have been formed by hot solutions and at great depths."
"The ore is found in the syncline following the periphyry of the porphyry on the property of Omega Gold Mines and Fernland Gold Mines. The dip is approximately sixty-two degrees to the south."
DEVELOPMENT — "The underground workings at the Omega Gold Mines have been carried to within about 800 feet of the property of the Fernland Gold Mines. The favorable structure carries on east through the Fernland Gold Mines as is evidenced by what has been disclosed in trenching 2,400 feet east of the Omega line. This work has indicated an ore zone some 400 feet long with a maximum width of 25 feet and having an average gold value of around $4.00 per ton. The 2,400 feet of ground between this showing and the Omega line is overburdened, necessitating exploration by diamond drilling."
CONCLUSION—"There is every indication that an extensive exploration programme carried west from the present showing to the Omega line will result in the development of considerable ore. There is also every reason to believe that the showing can be improved by work to the east."
RECOMMENDATIONS—"I recommend a minimum of 5,000 feet of diamond drilling to definitely outline the ore possibilities." The Company has the sum of $30,000.00 in its Treasury after providing for payment of all organization expenses and development to date, and is commencing diamond drilling at once to carry out the recommendations contained in Mr. Jewell's report."

Present Offering: 200,000 Shares at 25c. a Share.
The Company having received payment for these shares, the proceeds of the sale of these shares will not go into the Treasury of the Company.
An Informational Circular may be obtained from:
J. M. R. CORBET & COMPANY LIMITED
330 BAY STREET TORONTO
Telephone: ADelaide 4936

Eight-Year Price Range of Canadian Mines

	Value	1936		1935		1934		1933		1932		1931		1930		1929	
	Par $	High $	Low $	High $	Low $	High $	Low $	High $	Low $	High $	Low $	High $	Low $	High $	Low $	High $	Low $
Afton	1	.13¾	.04	.77¼	.38	..	..	..	..	..	..	..	..	..	..	..	..
Aldermac	N	1.83	.88	.11	.04	.33	.05	.30	.03	.15	.15	.50	.12	.50	.30	.22	.10
Alexandria	1	.10	.01½	.02⅝	.00⅝	.10	.01¼	.03⅞	.01	.09	.00⅞	.20½	.06½	..	..	..	..
Algold	N	..	..	.59	.35	..	..	..	..	..	..	..	..	..	..	..	..
Algoma	N	.12½	.03⅜	.08⅜	.02½	.18	.02½	.06	.01⅛	.20	.03	..	..	..	..	..	..
Anglo-Huronian	N	7.50	4.10	4.75	3.55	4.51	2.00	..	..	.04	.01	.05	.01	.10	.01¼	.21	.05
Argosy	1	1.75	1.00	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Arno	N	.12	.03	.04	.01½	.20	.01½	.11	.03	..	..	..	..	..	..	..	..
Arntfield	1	1.20	.65	1.19	.93	..	..	..	..	..	..	..	..	..	..	..	..
Ashley Gold	1	.31	.06½	.32	.06¼	1.25	.15	1.36	.74	.75	.65	..	..	..	..	..	..
Astoria Rouyn	1	.12	.02¾	.08	.02	.18	.02	..	..	..	..	..	..	..	..	..	..
Bankfield	1	2.15	1.40	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Bagamac	1	.11¾	.05½	.14	.03	.60	.04	.14	.02⅛	.07	.01	.08½	.03	..	..	..	..
Barry-Hollinger	1	.10	.03¼	.08½	.02½	.22	.05	.20	.08	.12	.03	.19½	.08	.25	.05½	.44	.13½
Base Metals	1	.42	.14	.94	.10	2.05	.50	2.45	.75	1.45	.30	1.45	.75	4.45	.80	6.50	2.75
Bayview	25c	.01	.00¼	.01¼	.00⅝	.03⅝	.01	.03	.00⅝	.00¾	.00½	.01	.00¼	.02	.01	.06¼	.02
B. E. A. R.	1	.69	.28	1.06	.14	.91	.16	1.20	.60	..	..	..	..	..	..	..	..
Beattie Gold	N	1.84	1.20	2.16	1.25	2.45	1.90	..	..	..	..	..	..	..	..	..	..
Beaver Silver	20c	.05	.01¼	.10½	.03	.09¼	.03	.10⅛	.02¼	.05⅛	.02	.07½	.01	.07	.05	..	..
Beaufor	1	.59	.30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
B. C. Nickel	1	.54	.17½	.55	.14	1.76	.28	..	..	..	..	..	..	..	..	..	..
B. C. Silver	1	3.30	1.50	1.80	.90	1.25	.90	2.50	.60	..	..	.80	.40	1.20	.70	..	..
Bidgood Kirk.	1	2.00	1.25	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Big Missouri	1	.76	.46	.76	.30	.51	.26½	.48	.49	.21	.04	.50	.08	1.04	.35	2.41	.45
Bluebird	25c	.03	.01	.02½	.01	.03½	.01	.06½	.07	.04	.01	.06	.00½	.05	.02	..	..
Bobjo	1	.36½	.13	.38	.16½	.75	.23	.28½	.08⅞	.11½	.02	.12	.01½	.11	.02	.28	.02
Bouscadillac G. M.	1	.70	.34	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Bralorne	N	9.00	5.55	12.50	4.25	17.00	9.90	13.25	2.28	1.50	.50	..	..	..	..	..	..
Brazil Gold	1	.40	.05	.61	.20	1.50	.10	..	..	..	..	..	..	..	..	..	..
Brett Trethewey	1	.14¾	.02	.03	.01⅛	.16	.02	.25	.11	.23	.02½	.12	.01	.07	.02½	.06¾	.04
Bridge River Cons.	1	.10	.03	.08½	.03	.48	.05½	.57	.05	.12	.04	..	..	..	..	..	..
B. R. Mountain Gold	50c	.18	.09	..	..	.27	.15	..	..	..	..	..	..	..	..	..	..
B. R. X. Gold	50c	.25½	.07½	.24	.07	..	..	..	..	..	..	..	..	..	..	..	..
Brownlee	1	.16	.07	.03	.01	.09	.01½	.07½	.01½	.03	.00¾	.12	.02½	.14	.01½	.18	.04
Buffalo Ankerite	1	12.25	3.80	4.07	2.35	3.98	1.90	..	..	..	..	..	..	..	..	..	..
Buffalo Can.	N	.13	.02	.03½	.00¾	.14	.01⅝	.09¾	.01¾	.36	.02	.30	.19	..	..	..	..
Bulolo Gold	5	37.00	27.25	38.15	30.00	37.50	23.50	24.60	25.40	..	..	..	..	..	..	..	..
Bunker Hill	N	.18	.06	.08½	.03	.11	.03	.10	.01	.04	.01	.08½	.02	.10½	.01⅜	.25	.03½
Can. Kirkland	1	.12⅛	.03½	.03⅞	.01	.20	.02⅜	.12¾	.03	.04½	.01½	.06½	.01	.09	.00½	.10	.02
Canadian Malartic	N	2.15	.95½	1.20	.54	.78	.38	.60	.32	..	..	..	..	..	..	..	..
Canadian Rand	50c	.12⅛	.04	.10	.03	.24	.05	..	..	..	..	..	..	..	..	..	..
Cariboo Gold	1	2.10	1.15	1.50	.95	2.85	1.00	3.05	2.50	2.10	2.00	..	..	..	..	..	..
Cartier Malartic	1	.50	.02	.05¾	.02	.09	.01	.03¼	.01	.07	.01½	..	..	..	..	..	..
Castle Trethewey	1	1.69	1.18	1.34	.55	.81½	.49	.72	.15	.21½	.09	.30	.14	.28	.15	.40	.20
Cen. Manitoba	1	.58	.11½	.15	.02½	.16	.05	.20	.06	.09¾	.04	.23	.23	.29	.04¾	.80	.19
Cen. Patricia	1	4.90	2.41	2.95	1.12	1.25	.54	.73	.17	.21	.02	.17	.05	.30	.02	.48	.20
Cen. Porcupine	1	.59	.30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Chiboug. Prosp.	N	..	..	.27	.08	.16½	.05½	.20	.03	.07½	.01	.59	.02	1.05	.03	2.25	.90
Chromium	N	2.46	1.10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Churchill M. & M.	N	.09⅞	.03	.06½	.03	.15½	.03	.15	.03	..	..	..	..	..	..	..	..
Clericy	N	.14	.03	.08	.02	.14	.02	.04	.00⅞	.02	.00⅝	.08	.00½	.07	.00¾	.40½	.05
Coast Copper	5	8.00	2.25	5.30	1.50	5.75	1.60	9.00	1.60	5.00	.45	10.50	2.50	24.00	4.00	67.00	15.00
Cobalt Contact	1	.04	.01½	.08	.01¼	.06⅝	.02	.15	.00½	.02⅛	.00⅝	.05½	.01	.42	.02	.19	.04
Congress Gold	1	.30	.06½	.54	.12	.51	.18	..	..	..	..	..	..	..	..	..	..
Coniagas	5	4.25	2.80	3.60	2.00	2.80	1.35	1.90	.75	1.10	.69	1.50	.50	1.40	.51	2.60	.90
Coniaurum	N	2.75	1.60	2.60	1.35	2.60	.97	1.00	.20	.50	.23	.62	.25	.60	.15	2.50	.25
Consol. Chibougamau	1	3.38	1.10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Cons. Smelters	25c	81.00	51.00	220.00	125.50	170.25	118.00	144.00	54.00	102.00	25.00	188.25	64.00	280.00	120.00	575.00	210.00
Cork Province	25c	.01¾	.00¼	.00½	.00½	.02½	.00½	.02½	.00½	.01½	.01	.02	.00½	.32	.04	.32½	.04
Cotton Belt	1	.06	.02	.09	.02½	..	..	..	..	..	..	..	..	..	..	..	..
Dalhousie	1	.03¼	.01	.01½	.00½	.06	.01	.08	.01½	.01½	.01⅛	..	..	..	..	..	..
Darkwater	1	2.75	1.10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Dentonia	N	.36	.10¼	.95	.15½	2.07	.25	..	..	..	..	..	..	..	..	..	..
Dictator	N	.08½	.01½	.06¾	.01	.07¾	.01	..	..	..	..	..	..	..	..	..	..
Dome Mines	N	61.25	41.75	45.50	34.50	45.50	32.00	40.00	13.60	14.50	9.00	13.40	8.00	10.20	7.00	11.25	4.40
Dome Explorers	1	.09¼	.04	.10	.03⅛	.14	.06	.15½	.03½	.10	.02	.21	.03	.39	.02⅛	.83	.15
Dunwell	1	.07	.02	.17	.03	.45	.12	.25½	.02	..	..	.04	.02	.03½	.02½	..	..
Duparquet	1	.10¾	.04	.17½	.06	.17½	.01	.04¾	.01	.04	.02½	..	..	..	..	..	..
Dorval Siscoe	1	.55	.32	..	..	..	..	..	..	..	..	..	..	..	..	..	..
East Malartic	1	1.40	.52	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Eldorado	1	2.45	.80	2.93	1.00	4.35	.86	8.10	1.16	1.60	.76	1.68	.20	.21	.18½	..	..
Fairview Amal.	N	.15	.03	.16½	.04	.44½	.12	..	..	..	..	..	..	..	..	..	..
Fawn Mining	50c	.80	.35	.46	.25	..	..	..	..	..	..	..	..	..	..	..	..
Falconbridge	N	12.87	6.90	8.70	3.25	4.15	3.00	4.55	1.80	2.40	.47	1.70	.75	6.50	1.10	16.50	4.15
Federal Gold	1	.18½	.02½	.13	.05	.12	.07½	..	..	..	..	..	..	..	..	..	..
Federal Kirkland	1	.23½	.03	.04¼	.02	.11½	.01¾	.06	.01	.04	.00⅝	.08½	.02	.02½	.00½	.05	.01
Francoeur Gold	N	2.24	.10	.27	.05	..	..	..	..	..	..	..	..	..	..	..	..
George Copper	1	.70	.15	.30	.12	.42	.15	1.00	.28	1.00	.15	.90	.39	4.50	1.00	12.00	1.10
Geo. Enterprise	50c	.05½	.02¼	.08	.03	.02½	01½	.12	.03	.02	.01	.05	.01	.09	.05	..	..
Georgia River	1	.02½	.01	.01⅞	.00½	.06½	.00⅜	.09¾	.01½	.05	.01	..	..	..	..	..	..
Glacier Creek	50c	.02½	.01	.06¾	.01	.08	.01	..	..	..	..	..	..	..	..	..	..
Glenora	1	.41	.19	..	..	..	..	..	..	..	..	..	..	..	..	..	..
God's Lake	N	1.45	.65	2.24	1.16	4.30	.70	..	..	..	..	..	..	..	..	..	..
Golconda	1	.24	.09	.42	.10	.63	.25	.60	.16	.35	.10	.45	.17	..	..	..	..
Goldale	1	.52	.14½	.20	.10	.30	.08	.17	.04	.03	.00¾	.08	.01⅞	.04½	.01½	.19	.02
Gold Belt	50c	.54	.10	.46	.20	.47	.28½	1.25	.25	..	..	..	..	..	..	..	..
Gold Mountain	50c	.45	.05	.19	.02¼	.51	.08	..	..	..	..	..	..	..	..	..	..
Goodfish	1	.26½	.06	.15	.04	.43	.06	.23	.02	.04	.02	.11	.02¼	.10	.02	.25	.01½
Graham Bousquet	1	.27	.03	.07	.02	.18½	.02	.04	.01	.03¼	.00¼	.04	.00½	.03½	.00¼	.05	.01¼
Granada Gold	1	.40	.17	.40	.16	1.09	.10	1.95	.50	1.25	.50	2.30	1.09	2.05	1.03	.36	.10
Grandora	N	.15	.05⅞	.12	.05	.53	.06½	..	..	..	..	..	..	..	..	..	..
Grandview	50c	.16	.02	.04¾	.01½	.06	.01½	.11	.03	.08	.02	.10	.03	..	..	..	..
Grange Mines	N	.07¾	.01½	.24	.01½	.38	.16	..	..	..	..	..	..	..	..	..	..
Greene Stabell	1	.93	.21	.45	.14	1.22	.20	..	..	..	..	..	..	..	..	..	..
Grozelle	1	.09	.04	.05	.02¼	.18	.03	.18	.03½	.22	.05	.18	.06	.10	.03½	..	..
Grull Wihksne	1	.16	.07	.12	.04	.48	.05	..	..	..	..	..	..	..	..	..	..
Gunnar Gold	1	1.20	.75	.97	.48	2.50	.44	..	..	..	..	..	..	..	..	..	..
Haida Gold	N	.05½	.00½	.03	.03	.16	.03	..	..	..	..	..	..	..	..	..	..
Halcrow Swayze	1	.10½	.02	.08½	.02	.53½	.04	.45	.24	..	..	..	..	..	..	..	..
Hard Rock	1	3.63	.30	.49	.26	..	..	..	..	..	..	..	..	..	..	..	..
Harker	1	.26	.07	.10	.04	.15	.03¾	.06	.02	.03½	.01	.03	.01	.03	.01	.35	.01
Hecla	25c	17.00	13.00	11.50	6.40	..	..	..	..	..	..	..	..	..	..	..	..
Hedley Amal.	50c	.32	.12	.29	.18	.34	.15	..	..	..	..	..	..	..	..	..	..
Hedley Sterling	N	.05	.03	.12	.04	.29	.05	..	..	..	..	..	..	..	..	..	..
Hollinger	5	17.25	12.00	20.25	11.65	21.65	11.40	12.50	6.00	6.25	4.25	8.70	4.60	6.65	4.90	10.00	4.00
Home Gold	N	.08	.02	.12½	.02	.28	.07	..	..	..	..	..	..	..	..	..	..
Howey Gold	1	1.00	.55	1.10	.55	1.40	.93	1.23	.61	.72	.26	.40	.20	1.40	.14	1.46	.65
Hudson Bay	N	34.50	22.87	24.37	11.50	15.00	9.00	12.25	3.10	5.30	.92	6.30	2.00	14.65	3.50	23.00	7.75
Independence	1	.02¼	.00¼	.01¾	.00½	.04	.01½	.01½	.00⅜	.01	.00¾	.02	.01	.05	.01½	..	..
Indian Mines	1	.03	.01½	.03	.01	.04	.01½	.03¼	.01	.01½	.01	.02	.01	.09	.00½	.10	.03
Inter. Coal, common	1	.23¼	.18	.20	.15	.15½	.15	.05½	.05½	..	..	..	..	..	..	..	..
Inter. Gold	50c	.10½	.05¾	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Inter. Mining	1	*18.75	13.75	15.35	11.35	14.25	10.45	13.00	8.50	..	..	..	..	..	..	..	..
Do., Pur. warr.	1	4.50	2.75	6.50	5.00	..	..	..	..	..	..	..	..	..	..	..	..
Inter. Nickel	N	66.12	43.50	47.75	22.25	29.00	21.15	23.25	8.50	13.50	4.00	20.50	8.12	45.00	12.75	73.00	25.00
Island Mountain	50c	1.82	.95	1.07	.68	..	..	..	..	..	..	..	..	..	..	..	..
J.-M. Cons. Gold	1	.80½	.28½	.34	.09⅞	.48	.14¼	..	..	..	..	..	..	..	..	..	..
Kerr Lake	1	.75	.40	.75	.40	..	..	..	..	..	..	..	..	..	..	..	..
Kirk. Hud. Bay	1	2.31	.30	.31	.20	.73¼	.26	.76	.48	.70	.40	1.00	.27½	..	..	..	..
Kirkland Lake	1	1.32	.40	.65	.33½	.79½	.29	.52	.27	.55	.19	.93	.38	.95	.35	1.92	.39½
Kirk. Premier	1	.45	.03⅛	..	..	..	..	.04⅝	.01⅜	.03½	.00½	.08	.01	.03½	.00½	.19	.01
Kirk. Townsite	1	.31	.14¼	.33½	.12	.40½	.15	.52	.12	.15½	.05	.25	.05½	.01	.01	.07	.02½
Kootenay Belle	50c	.93	.30	.72	.30	.67	.19	.57	.18	..	..	..	..	..	..	..	..
Koot. Florence	20c	.02½	.00¼	.01½	.00½	.02½	.00¾	.02⅞	.00½	.01⅝	.00½	.02¾	.00½	.08	.01	.30	.06
Kootenay King	25c	.01½	.00¼	..	..	.02	.00½	.04	.00½	.00¾	.00¼	.02	.00½	.56	.01	.56	.04
Laguna	1	1.05	.55	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lake Maron	N	.21	.03	.07	.02	.18	.03	.32	.07	.29	.05	..	..	..	..	..	..
Lake Shore	1	62.75	51.75	52.50	46.25	58.50	42.00	52.00	30.75	35.10	24.90	29.95	20.00	24.75	19.00	27.60	13.00
Lakeview	25c	*.01	*.00⅜	*.01⅜	*.00⅜	.01½	.00½	.01	.00¼	..	..	..	..	..	..	..	..
Lamaque Contact	1	.47	.05	.08	.01¾	.48	.03	..	..	..	..	..	..	..	..	..	..
Lava Cap	1	1.38	.70	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lebel Oro	1	.29¾	.12	.18	.07	.26	.03	.23½	.02¼	.07	.01¼	.04	.01⅛	.02	.01	.14	.01
Lee Gold	1	.15	.02¾	.08	.02⅝	.22	.02	.29	.11	..	..	..	..	..	..	..	..
Little Long Lac	N	7.75	5.70	7.25	4.15	7.45	4.05	..	..	..	..	..	..	..	..	..	..
Lucky Jim	10c	.08	.01	.04½	.01	.06	.02	.06½	.01	.04	.01	.05	.01½	.10	.01	.28	.09
Macassa	1	8.40	3.12	3.38	1.31	3.05	1.85	1.29	.20	.41	.13	.55	.10	.13	.05	.30	.08
Mak Siccar	N	.14¼	.02¼	.41	.07	.40	.07	..	..	..	..	..	..	..	..	..	..
Malrobic	1	.07	.01⅞	.03	.00¾	.08½	.01½	.07¾	.01	.04	.00¼	..	..	..	..	..	..
Mandy	N	.52	.12	.14	.05¼	.17	.05	.17	.02⅞	.08	.02	.15	.05	.35	.08	1.80	.25
Manitoba & Eastern	N	.30	.05½	.12½	.03	.40	.11½	..	..	..	..	..	..	..	..	..	..
Maple Leaf	1	.30	.05½	.14	.02½	1.00	.07	..	..	..	..	..	..	..	..	..	..
Marmot Metals	50c	.01	.00⅛	.00¼	.00¼	.01½	.00¼	.01¼	.00¼	..	..	.01	.00½	.01½	.00½	..	..
May-Spiers	1	.60	.30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
McGillivray Creek	1	.20	.12	.21	.16	.14	.09½	.10	.07	..	..	..	..	..	..	..	..
McIntyre	5	49.25	38.00	46.00	34.00	50.00	39.00	48.60	21.20	25.00	14.70	26.50	13.95	19.80	15.05	24.00	11.50
McKenzie Red Lake	1	2.24	1.22	1.45	.96	1.74	1.01	..	..	..	..	..	..	..	..	..	..
McKinley	1	.65	.45	.70	.35	.75	.50	.55	.30	.37	.25	.55	.20	.60	.25	.60	.16
McLeod-Cockshutt	N	5.40	3.50	..	..	..	..	..	..	..	..	..	..	..	..	..	..
McMillan	1	.20	.02	.46½	.03¾	.75	.30	.44½	.03	..	..	.29	.03	..	..	..	..
McVittie-Graham	1	.42	.17	.40	.10	1.21	.24	1.20	.15	.19	.16½	.04	.04	.30	.04	.35	.23
McWatters	N	1.78	.71	2.15	.45	.55½	.25	1.15	.35	.50	.40	..	..	..	..	..	..
Mentor Exp. & Dev.	5	2.50	.50	..	..	1.50	.50	..	..	..	..	..	..	..	..	..	..
Meridian Min.	50c	*.14½	*.02	*.21	*.09	.33	.08	1.05	.20	..	..	..	..	..	..	..	..
Mining Corp.	N	3.40	1.10	1.53	.85	2.47	1.00	2.65	1.20	1.85	.58	2.84	1.10	3.60	.50	6.05	2.65
Minto Mines (Ont.)	N	1.00	.07½	.21	.07½	.21	.16½	..	..	..	..	..	..	..	..	..	..
Minto Mines (B.C.)	N	.94	.07	.24½	.05	.85	.13	.14⅛	.12	..	..	..	..	..	..	..	..
Moffatt Hall	1	.16½	.03	.04	.01	.08¼	.02⅛	.05	.01½	.08½	.01⅛	.34	.01	.04½	.01	.30	.02
Moneta	1	1.93	.06¾	.16	.05	.20	.08	.12½	.02	.02¾	.02	.04	.02½	.04	.02	.06	.02
Montague	1	2.05	.25	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Morning Star	N	*.05	*.01¾	*.12½	*.03	.46½	.08½	.41	.15	..	..	..	..	..	..	..	..
Morris. Kirk.	1	.85	.51	.79	.35	..	..	..	..	..	..	..	..	..	..	..	..
Mort. Woolsey	1	.02	.00½	.02	.00½	.05½	.00¾	.06	.00½	.03	.00½	.05	.01	.13½	.00½	.08½	.03½
Murphy	1	.09	.00¾	.01½	.00½	.04	.01	.03¾	.00⅞	.02⅛	.00⅝	.09	.01	.05½	.01	.68	.01¾
Naybob	25c	.72	.66	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nat. Silver	25c	*.03¾	*.02	*.06¼	*.02¼	.09	.03	.10½	.01¾	.03½	.00½	.05¼	.01	.26	.02	.21	.18
Newbec	N	.08	.02	.04	.01	.09½	.01½	.06½	.02	.06⅛	.01	.07¾	.02	.26	.04¼	.94	.15
New Golden Rose	1	1.40	1.00	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nicola	50c	.22½	.07½	.17	.05	1.36	.05	1.17	.74	..	..	..	..	..	..	..	..
Night Hawk	1	.06¼	.01⅛	.04½	.00¾	.06⅞	.02¾	.06¾	.01¾	..	..	.09	.02	.05½	.02½	.06	.01½
Nipissing	5	3.05	2.30	2.87	2.00	2.88	2.00	3.50	1.15	1.48	.50	1.90	.80	1.85	1.00	3.95	1.50
Noble Five	50c	.07½	.02	.16	.03	.17	.06¼	.21½	.02½	.08½	.02	.10¼	.03	.40	.05	.82	.35
Noranda	N	75.00	44.50	47.87	31.00	45.05	29.75	39.25	19.75	23.25	12.50	29.65	11.75	44.25	11.70	70.00	25.00
Nor. Canada	N	.75	.24½	.33	.16	.54	.22	.52	.26	.39	.10	.50	.18	.46	.18	1.05	.22
Norgold	1	.18	.09	..	..	..	..	..	..	..	..	..	..	..	..	..	..
O'Brien	1	14.12	.34	.75	.30	..	..	..	..	..	..	..	..	..	..	..	..
Omega	1	.85	.40	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Osisko	1	.42	.07	.10	.03	.27	.06	.34	.05	.09	.05	.21	.07	.30	.07	1.05	.19
Paulore	1	.46	.30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Pamour	N	5.20	3.10	3.75	3.45	..	..	..	..	..	..	..	..	..	..	..	..
Parkhill	1	.48	.18	.32	.18	.72	.17½	.46	.11	.17	.07	.25	.20	..	..	..	..
Pawnee Kirk.	1	.11	.02	.04½	.01	.06	.01	.03¼	.01	.02	.01	.05	.01½	.03	.01¼	.07	.01
Paymaster	1	1.25	.50½	.52	.16	.31¼	.16½	.29	.19½	..	..	..	..	..	..	..	..
Pend Oreille	1	4.30	.65	1.15	.40	1.40	.40	1.80	.50	1.25	.35	1.61	.60	5.15	.60	17.00	2.00
Perron Gold	1	2.35	1.12	1.25	.55	..	..	..	..	..	..	..	..	..	..	..	..
Peterson Cobalt	1	.04⅞	.01½	.09½	.01⅛	.06⅜	.01¾	.04½	.00½	.01¾	.00½	.04¼	.00¾	.19¾	.02½	.37	.06½
Pickle Crow	1	8.30	3.95	4.35	2.10	1.95	1.26	..	..	..	..	..	..	..	..	..	..
Pilot Gold	N	.09	.02	.09¾	.01½	.10¾	.03⅛	..	..	..	..	..	..	..	..	..	..
Pioneer G. (B.C.)	1	12.00	4.95	12.25	9.00	14.15	10.10	16.25	4.30	4.94	3.00	3.60	1.23	1.25	.50	..	..
Porc. Crown	1	.15	.04	.06	.03	.08½	.01¾	.03	.00¾	.00⅝	.00½	.02¼	.00½	.01½	.00¼	.03½	.00½
Porter Idaho	50c	.12½	.04	.15	.04	.18	.06¾	.19	.04½	.08½	.02	.13	.03	.38	.06¾	.82	.33
Premier Border	N	.03½	.00½	.01	.00⅜	.02¼	.00¼	.04	.00½	.02	.00¼	.02	.00½	.04	.01	..	..
Premier Gold	1	4.55	1.80	2.05	1.35	1.75	1.02	1.60	.55	.75	.32	.99	.40	1.60	.60	2.35	1.50
Preston E. Dome	1	2.25	.21	.03	.01	.06⅞	.01⅛	.03¾	.00¾	.01½	.00½	.02⅛	.00½	..	..	..	..
Prospectors Airways	N	3.25	1.15	3.25	1.25	1.45	.30	1.75	.33	1.31	.15	.29	.15	..	..	..	..
Powell Rouyn	1	1.72	.95	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Quatsino Cop.	1	.05¼	.01	.02½	.01½	.06	.01	.10	.02	..	..	..	..	..	..	..	..
Quebec Gold	1	1.40	.59	1.06	.09⅝	.70	.09	..	..	..	..	..	..	..	..	..	..
Quemont	N	.11	.02	.15	.02¼	.15	.02	.15	.03	.10	.03	.25	.07	.70	.04	1.35	.40
Quesnelle Quartz	25c	.13½	.05	.17	.05	..	..	..	..	..	..	..	..	..	..	..	..
Read Authier	1	5.05	1.43	1.45	.55	1.73	.27	.51	.25	..	..	..	..	..	..	..	..
Red Hawk	50c	.05	.04	..	..	.19	.06	..	..	..	..	..	..	..	..	..	..
Red Lake Gold Shore	1	2.55	.50	.50	.25	..	..	..	..	..	..	..	..	..	..	..	..
Reeves MacDonald	N	.93	.05	.18	.08	.27	.09	.42	.10	.35	.07¾	.55	.20	1.78	.25	4.75	.80
Reliance	01c	.09¾	.02	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Relief Arlington	1	.50	.26	.45	.25	..	..	..	..	..	..	..	..	..	..	..	..
Reno Gold	1	1.46	1.00	1.67	.73	1.36	.75	2.70	.60	.66½	.21½	.28	.11	.35	.10	..	..
Reward Mining	1	.15	.02	.04¾	.02	.15	.03	.22	.04	..	..	..	..	..	..	..	..
Ritchie	1	.13½	.01	.02¾	.00½	.05⅛	.01	.03	.01¼	.02½	.01	.15	.01½	.10	.02	.08	.04
Robb Montbray	1	.11½	.04	.10¾	.02	.11¾	.01¾	.04½	.01	.02¼	.00½	.04	.00⅝	.04	.00¼	.06	.01
Roche Long Lac	1	.76	.05½	.10½	.02⅝	.18½	.07	..	..	..	..	..	..	..	..	..	..
Rufus Argenta	1	.05	.00⅛	.01¾	.00¾	.03½	.01	.10	.01	.02½	.00½	.04	.01	.57	.03½	.57	.16
Ruth Hope	1	.06	.01	.05½	.00½	.05	.02	.07	.01	.05	.02	.09	.03½	.25	.05	.73	.18
St. Anthony	1	.38½	.15	.39	.14½	.65	.23	.60	.07	.17	.05	.20	.03½	.29	.04	.93	.09
Sally Mines	1	.15	.07	.62	.16	.60	.25	.65	.30	..	..	..	..	..	..	..	..
Salmon Gold	50c	.13½	.07½	.18	.06	.35	.07½	..	..	..	..	..	..	..	..	..	..
San Antonio	1	3.45	1.60	5.20	2.00	6.30	1.75	1.85	.75	.92	.25	.45	.25	.35	.07	.26½	.10
Shawkey	1	1.16	.75	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheep Creek	50c	.97	.56	1.25	.54	.57	.40	..	..	..	..	..	..	..	..	..	..
Sherritt Gordon	1	2.95	1.00	1.23	.45	1.43	.40	..	..	.77	.18	1.25	.40	3.50	.55	9.90	2.51
Silverado	1	.06	.02	.05	.02	.09	.04	.15	.03½	.05	.02	.07½	.03	.35	.06	1.38	.65
Silver Crest	25c	..	..	.02½	.00½	.04¾	.01⅛	.09	.01	.02½	.01	.04¼	.00½	.05¼	.03	..	..
Do., (new)	25c	.08	.03	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Silversmith	20c	.04	.01	.12	.01	.17	.04	.03¾	.01¼	..	..	..	..	..	..	..	..
Siscoe	1	5.50	2.87	3.29	2.40	2.88	1.43	1.78	1.25	1.33	.50	.71	.36	.75	.24	1.65	.39
Sladen Malartic	1	2.27	.42¼	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Snowflake	50c	.02⅛	.00⅜	.01½	.00¼	.03¼	.00¾	.04½	.01	.02⅝	.00½	.05	.00¾	.26	.02	.70	.05
South Amer. Gold	1	6.25	4.40	5.10	3.30	4.00	2.95	..	..	..	..	..	..	..	..	..	..
South Tiblemont	N	.08½	.02¾	*.15	*.02	.26½	.02	..	..	..	..	..	..	..	..	..	..
Stadacona	N	.97	.18½	.32	.13½	.46	.08½	.16	.08	.02⅝	.00½	.05	.01	.07	.02	.15½	.03
Standard Silver	1	.54	.36	.76	.42	..	..	..	..	..	..	..	..	..	..	..	..
Sudbury Basin	N	6.40	3.00	4.10	1.25	2.00	1.00	2.21	.60	.90	.16	.82	.35	5.35	.45	13.75	2.75
Sudbury Contact	1	.47	.06	.11	.04	.16⅛	.05	.15	.00¾	.02½	.00⅜	.03	.01	.05	.01	.10½	.00½
Sudbury Mines	1	.07½	.02½	.09½	.03	.11½	.00⅝	.02½	.00½	.01	.00¼	.03¼	.00½	.01¼	.00½	.08½	.00⅛
Sullivan Cons.	1	2.50	.83	.91½	.35	.63	.35	.38½	.14	.22	.07	.19	.07	..	..	..	..
Sunshine	10	24.25	16.50	23.75	11.45	13.00	4.75	..	..	..	..	..	..	..	..	..	..
Sylvanite	1	3.74	2.25	2.70	2.00	3.20	1.29	1.44	.72	.87	.39	1.14	.48	1.02	.39	2.25	.40
Tashota	1	.68	.12	.67	.25	..	..	..	..	..	..	..	..	..	..	..	..
Taylor Bridge	N	.24	.06½	.32	.10	1.20	.23	..	..	..	..	..	..	..	..	..	..
Taylor Windfall	1	.27	.07	.20½	.08½	.65	.10	..	..	..	..	..	..	..	..	..	..
Teck-Hughes	1	6.70	4.30	5.30	3.67	8.05	3.73	7.25	3.70	5.25	3.05	8.65	4.51	7.30	4.70	10.25	4.50
Timiskaming	1	.27	.02	.03	.00¾	.02¼	.01	..	..	..	..	..	..	..	..	..	..
Thomp.-Cadillac	1	2.87	.37½	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Toburn Gold	1	4.45	1.20	1.45	1.00	..	..	..	..	..	..	..	..	..	..	..	..
Toric	5	.18	.13	.35	.15	.25	.20	.40	.20	..	..	.20	.05	.50	.50	2.50	.80
Towagmac	1	1.40	.20	.30½	.10	.76	.15½	.61	.10	.40	.10	.63	.17	1.50	.10	3.85	.50
Treadwell	1	.80	.20	.60	.10	.85	.16	3.00	.35	3.00	1.00	2.65	.90	7.50	.75	18.50	4.95
United Empire	50c	.05¼	.00¾	.10	.03	.35	.04¾	..	..	..	..	..	..	..	..	..	..
Ventures	N	3.15	1.60	1.93	.80	1.12	.77	1.50	.66	1.10	.16	.86	.35½	3.50	.30	14.85	2.25
Vidette Gold	N	1.88	.65	.98	.13	3.50	.35	..	..	..	..	..	..	..	..	..	..
Viking Gold	N	.08½	.00¾	.06	.00¼	.21½	.02	..	..	..	..	..	..	..	..	..	..
Waite Amulet	N	3.10	1.00	1.27	.45	1.53	.36	..	..	..	..	..	..	..	..	..	..
Waterloo Gold	N	.06½	.01	.07½	.02	.27½	.02	..	..	..	..	..	..	..	..	..	..
Waverly Tangier	50c	.01½	.00½	.01⅞	.00⅜	.03	.00¾	.12	.01½	..	..	..	..	..	..	..	..
Wayside	50c	.21	.05½	.24½	.07	.50	.06	.75	.32	..	..	..	..	..	..	..	..
Wellington	20c	.01½	.00½	.04	.01	.03½	.01¼	.05	.01½	.02½	.01	.01	.00½	.03	.02	..	..
Wesko	50c	.32	.19	..	..	..	..	..	..	..	..	..	..	..	..	..	..
White Eagle	N	.06	.02¼	.10½	.01½	.43	.07¼	.32½	.18	..	..	..	..	..	..	..	..
Whitewater	1	.17	.02¾	.14	.04	.10¾	.04	.18	.03	.06½	.00½	..	..	..	..	..	..
Wiltsey-Coughlan	1	.11	.03	.07	.03	.18	.04	.28	.02	.01	.00½	.06	.01½	.05½	.02	.25	.10
Wood-Kirk.	1	.09	.04	.07⅞	.03¾	.20	.03	.27	.05	.10	.04¾	.13	.03½	.07	.03	.10	.02⅛
Wright-Hargreaves	N	9.00	7.15	9.90	6.90	10.25	6.75	8.60	3.73	3.85	2.00	3.25	1.85	2.30	1.35	2.95	1.15
Wood Cadillac	1	.58	.48	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Yankee Girl	N	.71	.30	.85	.26	..	..	..	..	..	..	..	..	..	..	..	..

*New stock.

RAJAH RED LAKE
GOLD MINES LIMITED

Adjoining Paulore on the east, and close to the north boundary of Madsen Red Lake

Three large shear zones have been encountered to date. Starting from the original strike, a shear zone has been proven for 457 feet easterly, widening out from 30 feet at origin to 40 feet at a distance of 400 feet in length. About 200 feet south another similar zone has been encountered, and 300 feet south again, still another zone.

At a distance of 400 feet on the first (north) zone, cross-trenching was done and samples taken which, after eliminating all visible free gold, averaged $21.70 gold per ton across a width of 10 feet.

With an aggressive program of diamond drilling planned and ample finances in hand, the prospects for the future are encouraging.

Latest detailed information on request.

Keith Securities, Limited
100 Adelaide St. W., Toronto, Ont.
ADelaide 0574

SATISFACTION

With few exceptions the gold and base metal mines in Canada are using Sorel quality made manganese steel castings with entire satisfaction.

Satisfaction is based on a dependable product from a modernly equipped plant — at a reasonable price, with scrap steel reserves to guarantee an uninterrupted supply.

Specify "Sorel Steel" for Satisfaction.

Sorel Steel FOUNDRIES LIMITED
SOREL [illegible] QUEBEC
SOREL, P.Q. MONTREAL

Lower Mining Costs with GENERAL ELECTRIC EQUIPMENT

GENERATORS
TRANSFORMERS
LIGHTNING ARRESTERS
POLE LINE MATERIALS
SWITCHGEAR
MOTORS
MOTOR-GENERATOR SETS
INDUSTRIAL CONTROL
BATTERY CHARGERS
LOCOMOTIVES
ELECTRIC FURNACES
HEATING DEVICES
WELDING EQUIPMENT
METERS
INSTRUMENTS
WIRE AND CABLE
WIRING MATERIALS
INSULATING MATERIALS
LIGHTING EQUIPMENT
EDISON MAZDA LAMPS

WHEN you purchase all your electrical requirements from Canadian General Electric you save time, obtain undivided responsibility and take advantage of G-E research and engineering. Years of experience in the design, manufacture and application of electrical equipment assures the profitable performance of G-E products. C.G.E. has set up a Dominion-wide system of factories, sales offices and warehouses to serve you promptly.

CANADIAN GENERAL ELECTRIC COMPANY LIMITED
37-CGE-3
Head Office - Toronto — Sales and Engineering Offices in Principal Cities

Buff. Ankerite Earnings Jump Reserves Up

Net Earnings at 59 Cents Compare With 22 Cents in 1935

TONNAGE INCREASED

Earnings per share of 59 cents, much more than double previous year's earnings; increased ore reserves, and a physical condition which is considered the best enjoyed by the company to date, are all reflected in the annual report of Buffalo Ankerite Gold Mines, Porcupine gold producer.

Combined tonnage of the Marbuan and Buffalo Ankerite mill for the year was 271,736 tons, from which gold recovery of $1,888,829 was obtained. This works out to a recovery per ton of $6.95, as compared with a recovery per ton in 1935 operations of $6.62.

During the year, the company did not capitalize any of the development and exploration work except shaft sinking, which amounted to $64,074. Although this amount was capitalized, $135,868 was written off in addition to the current expenditure.

There now remains a balance of $117,996 for development prior to production.

Operating costs during the year showed a decrease from 1935, working out to about $4.18 per ton as against $4.39 in 1935.

Broken ore reserves have been increased 17,354 tons and positive ore reserves increased from 394,168 tons to 701,945 tons. Average grade of both broken and positive reserves has improved. Estimated value of both positive and broken ore reserves at present gold values is $7,450,000.

In the balance sheet as at Dec. 31, 1936, current assets total $449,670 against current liabilities of $170,646, leaving working capital of $279,053. At the end of 1935 working capital amounted to $53,689.

Profit and loss account for the two fiscal periods follows:

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Bullion recovery	1,888,829	1,056,654
Add: Adjust. of val. of ore in soln.	4,274	1,046
Less: Mining costs ...	619,385	377,218
Milling costs	229,217	137,985
General	147,611	106,889
Develop. & explor. .	175,210	129,222
Operating profit	721,680	306,386
Add: Other income ...	185	5,555
Gross profit	721,865	311,941
Less: Develop. w/o ...	135,868	87,797
Depreciation	105,754	46,971
Prov. for inc. taxes	65,587	20,307
Net profit	414,656	156,866
Less: Dividends	140,335	115,546
Surplus for year	274,321	41,320
Add: Previous surplus	141,592	103,229
Profit on sale of claim	396	......
Over-prov. for workmen's compens. and silicosis	2,488	......
Less: Silicosis assess., 1934	......	2,957
Additl. 1935 inc. taxes	1,734	......
Bal. carried forward ..	417,063	141,592
Earns. per Sh. & Divd. Record:		
Earned	$0.59	$0.22
Paid	0.20	0.20
Shares Outstanding ...	701,679	701,679

Wood Cadillac Mines Stock Called For Trading

From Our Own Correspondent

MONTREAL. — Wood Cadillac Mines capital stock has been listed on the Montreal Curb Market. The listing covers the company's authorized capital of four million shares, with 3,198,300 shares outstanding and 801,700 shares in the treasury.

Tashota Goldfields Thunder Bay mining district, reports considerable improvement in news from the mine. Concentrates are moving out freely to the smelters, and assayers' reports give over 10% of copper and an average of 6 oz. of silver per ton. The company reports ample capital on hand to carry on development work in prospect.

Southern Gold Work on underground development at this South Carolina property is being pushed on two veins from two different mine openings, the company reports. It is claimed that work to date has definitely established the existence of high-grade ore shoots.

LISTED UNLISTED
Elgin 7193
Est. 1917
INDUSTRIAL AND MINING
H.B. HOUSSER & CO.
Members
The Toronto Stock Exchange
ROYAL BANK BLDG., TORONTO

Scott Chibougamau
Mines, Limited
Bought – Sold – Quoted
DESCRIPTIVE CIRCULAR ON REQUEST
R. P. Mills & Co.
Limited
215 St. James Street
Montreal
PLateau 9125-6

Larder Lake Field Now Staked Solid

Omega, Kerr-Addison and Martin Bird Lead Activity in Latest Boom Camp — Properties Reviewed

From Our Own Correspondent

KIRKLAND LAKE. — Larder Lake area, located about one-third way between well-established mining towns of Kirkland Lake and Noranda, being approximately 17 miles east of Kirkland Lake, has become the scene of Canada's latest mining "boom." Recent developments at Kerr-Addison, in McGarry Township, and Martin Bird, in Hearst Township, have given all earmarks of potential producers for these two properties, while extensive underground operations at **Omega,** Larder Lake's already successful operation, indicates that in the very near future the mill will be handling much larger tonnage than approximate 425 tons daily now being treated.

Staked Solid

All ground lying within miles of Larder area has been staked solidly, and deals are being closed nightly for groups of claims on which new companies will be formed, and which will later receive some prospecting attention. Among new companies recently formed is **Lardego Gold Mine,** holding group of claims adjoining Omega Mine on east. Camps have been erected here, and diamond drilling got under way last week-end.

Adjoining Omega Mine on west is **Fernland Mine,** with a group of some 30 claims. Diamond drilling was also started here on Monday. Farther west **Armistice Mine** has been formed on a block of ground adjoining Kerr-Addison. Preparations are proceeding for surface exploration and diamond drilling. New interest has been aroused in **Chesterville Mine** organized in 1911, but which after some development, has been idle for a number of years. With two claims apparently on line of Kerr-Addison's strike to east, and a half claim jutting well into Kerr-Addison's property, operations are now being resumed and a diamond drill hole was started last week about 50 ft. from Kerr's boundary, and about 150 ft. from Reddick shaft. This hole was finished last week-end and is reported to have cut favorable rock, but assays were not available at property. Adjoining Chesterville, and also southeastern boundary of Kerr-Addison, is block of 31 claims recently formed in **Wesley Gold Mine.** Diamond drilling was started here about two weeks ago, but due to heavy overburden, difficulty in reaching bedrock was encountered. A heavier drill has now been put to work, and some core is expected to be pulled this week.

Town Expanding

However, greatest activity is shown at **Raven River Gold Mine,** formerly Harris Maxwell property, wholly owned by **Proprietary Mine.** The large block of claims owned by this company immediately adjoins Omega Mine.

Under former operations, extensive underground development was completed, including sinking of shaft to 500 ft. and considerable drifting on levels at 400 and 500 ft. Little work was carried out on top levels due to proximity of Larder Lake.

Mine Pumped Dry

The mine has been pumped dry. Three carloads of mining equipment arrived by rail last Friday. Large electric double-drum hoist, and compressor with capacity of 800 cu. ft. recently bought from Ashley Mine, were included in plant received, which will be fully transferred from Larder Lake station to mine this week. A brace of four 300 K.V.P. transformers was also received for service at Raven Falls power plant, owned and operated by Proprietary Mine. Addition of these new transformers will allow considerable stepping up of capacity of the Raven Falls power supply, and is expected to take care of increased demand for power by Kerr-Addison, which obtains electric power from this source. Power for domestic use at Larder Lake townsite is also supplied by Proprietary's plant. In view of greatly increased demand for power, it is reported officially that Proprietary plan development of power rights held on Wendigo Falls, located about eight miles northeast of Englehart. Development of approximately 900 h.p. is said to be possible at this site.

Complete new wiring of Raven Mine buildings has been practically completed, and these will be ready for turning on of power as soon as hoist and compressor have been installed. Officials state that earlier work carried on some 15 years ago, when Harris Maxwell was noted as one of Ontario's earliest gold producers, and a 10-stamp mill was placed in operation, has indicated approximately 8,000 tons of ore averaging $10.99. However, present plans call for rechecking of all old workings, and until clearer picture of the ore situation is available, officials state that no public offering of stock in Raven River gold is to be made.

Omega Increases Hoists

A diamond drill was set up last week and drilled one hole, cutting ore zone at depth of approximately 600 ft., and is reported to have substantiated earlier results.

Preparations for installation of over double present capacity of hoisting equipment at **Omega Mine** is under way. Hoist room is being enlarged to accommodate larger equipment, which will allow hoisting of up to 1,000 tons per day. Instead of single skip and single cage, two combinations skips and cages are to be installed. Immediate increase of mill head values is considered likely with larger hoist, as sorting of development rock will then be possible.

Kerr-Addison

Kerr-Addison Mine is also preparing for development on increased scale, with installation of large compressor, allowing air for nearly six machines instead of two now operating, in addition to two diamond drills. One drill is set up underground in Reddick shaft, and is probing walls with short flat holes similar to sampling method used in Kerr-Addison shaft.

Another diamond drill is putting down hole approximately 100 feet apart, cutting ore zone at about 400-ft. depth.

Martin Bird, which has been working about two years on a property on the south shore of Larder Lake, five miles south of Omega reports important underground development. On the first level two parallel veins have been opened up west of the shaft giving 75 ft. running $8 across six feet, and 300 ft. running $10 across five feet. Drift is now approaching No. 8 hole which showed 75 ft. running $5. The second level crosscut shows a 30-ft. wide vein running $7.20.

News Concentrates

Advance Red Lake—in Todd township, Red Lake area, advises that No. 10 drill hole has struck a mineralized zone one section of which assayed .5 oz. per ton. A like section was encountered in hole No. 9. The core sample, which showed $17.50 value, was taken from 280 ft. in depth.

* * *

Berens River Gold Mines — A Newmont operation, Berens River is shipping in a large amount of equipment, The Financial Post is informed. The property is located near the Manitoba border in Ontario.

* * *

Bralorne Mines, in the Bridge River area of B. C., reports that January production amounted to 6,342 fine ounces from 14,288 tons. This is a recovery of 0.49 ounces per ton and compares with a December production of 6,350 ounces from 14,514 tons or a recovery per ton of 0.43.

* * *

Century Mining Corp.—will start shaft sinking to a depth of 400 ft. on its prospect in the Flin Flon mining area of Manitoba. This work follows 4,547 ft. of diamond drilling and is based on the recommendations of the company's consulting geologist, Dr. J. F. Wright.

* * *

Chibougamau North Gold Mining Corp. is currently financing to develop three groups of properties, approximately 1,400 acres in the Chibougamau area. President of the new corporation is G. Douglas Kelly, while directors include Senator Charles E. Tanner, Senator Rufus H. Pope, Charles Bruyers and J. Henry Pope. The property is located in McKenzie and Roy Twps.

* * *

Clark Gold Mines. R. H. Miner, president, reports that the new 200-h.p. steam plant with compressors, mine hoist, and other equipment is nearing completion. Channel samples of the high-grade vein on the 125-ft. level are being taken.

* * *

Cobagold Mines, incorporated last fall with an authorized capitalization of three million shares, will start development shortly on 15 claims in the southeast corner of Cody Twp., Porcupine mining division, The Financial Post is informed.

* * *

Commandor Mines — has started work at its Abitibi district property in Quebec. The company's south copper-gold holdings comprise 1,400 acres near Fontana Gold Mines. Its gold property in northern Duverny township consists of 800 acres. Cutting of a winter road to the south property and the construction of camp buildings is being undertaken.

* * *

Capps Gold Mines—Hugh Jardine, mine manager at this North Carolina property, advises that the crosscut on the 200-ft. level on the number three shaft is being pushed to connect up with the number two mine opening. Foundations for the mill building are being poured.

* * *

Central Patricia—A new high record for monthly production was achieved by this company in January, when output amounted to $104,600 from 5,675 tons or an average grade of $18.52. December production amounted to $103,775 from 5,879 tons.

* * *

Dorval Siscoe Gold Mines, adjoining Siscoe, reports excellent results from diamond drilling, a zone having been intersected with a width of 63 feet, of which over half is quartz.

* * *

Don Martie Gold Mines—reports that assays from the first drill hole cores at its Sturgeon River operation showed values as high as $11.20 over 5 ft. and an average of $7 through 10 ft. of core. The second deep test hole has been completed but assays are not yet available. Drill crews are working in three shifts to complete the drilling campaign as quickly as possible.

* * *

Fox Lake Gold Mines, in the West River area, Ontario, is resuming its diamond drilling programme. L. W. Adams reports that drilling has intersected two parallel veins in addition to the main vein, not yet intersected by the drill.

* * *

Faulkenham Lake Gold Mines—in Red Lake area, reports that the first drill hole on the west group, south of May-Spiers, has reached 220 ft., and the second hole started. The vein was intersected in the first hole at a slope depth from 98-108 ft., with assays running from a trace to $11.70, the last assay being across 12 in. It is expected that the shaft on the Faulkenham Lake property should be completed to 350 ft., three stations cut and drifting progressing early in April.

* * *

Francoeur Gold Mines—announces from its Boischatel township property that the new No. 2 shaft is down almost 100 ft. Quicksand hampered the sinking in its early stages to 45-ft. depth, but it is now thought that all difficulty of this kind has been overcome.

* * *

Golden Gate Mining Co.—advises that the crosscut to the new shaft site on the 350-ft. level has reached its objective and station cutting is now under way. The new opening, of three-compartment size, will be carried to 750-ft. depth. Officials say that lateral development near the present shaft of this Swastika property is progressing with the last face on the 304 vein yielding an assay of $64 per ton across the vein.

* * *

Harwood Lake Mines—The new Diesel engine has been delivered to this property in the West River section, and shaft sinking will, it is planned, start in the near future.

* * *

Home Oil Co.—has made Chartered Trust and Executor Co. its transfer agent in Montreal. The new shares may be applied for up to the close of business March 15, 1937, and Home Oil has given shareholders of record Feb. 15, 1937 the right to buy additional shares on the basis of proportion of up to, but not more than, one share for each share held at $2 per share.

* * *

Island Mountain Mines reports January production at 1,444 fine ounces, or approximately $50,000, from 3,558 tons milled. December production grossed $45,745 from 3,461 tons milled.

* * *

Kenecho Gold Mines—Additional supplies and equipment to be used in sinking the shaft have been shipped by plane to this Kenora property, and work is now under way with an enlarged crew, according to information supplied by Charles Young, managing director. Diamond drill hole number three, spotted to intersect three known veins, is down close to 200 ft. in good formation and nearing its objective, Mr. Young reports.

* * *

Kenricia Gold Mines, in the Kenora field, is establishing the second level at 350 ft. Lateral work will start immediately on both the 200- and 350-ft. horizons.

* * *

Karas Gold Mines—newly formed to develop 40 claims in Dasserat township, Quebec, lies three quarters of a mile west of Monarch Mines. Some surface work has been done on the property and this will be resumed when conditions permit.

* * *

Lebel Oro—The new 75-ton mill at this company's Long Lake property is nearing completion, and Diesel power is now available. About 40,000 tons of ore is said to be available.

* * *

Lake Rowan Gold Mines is driving an adit into the hillside known as Discovery Hill, and reports that assays made by J. N. W. Bell at Kenora early in February show values over a width of 73 inches averaging between $38 and $40. This covers a series of three veins. Diamond drilling is proceeding.

* * *

North Huron Gold Mines plans to start diamond drilling in the next week or so on its properties near Sault Ste. Marie, Ont. The shaft is down 100 ft. and several hundred feet of drifting and crosscutting has already been carried out.

* * *

Perron Gold Mines—announces in a progress report that gold valued at $87,153 was shipped to the mint during January from its northwestern Quebec property, which is responding well to development. The 210 vein was extended 92 ft. in ore wider than the drift of average mine grade.

* * *

Silver Valley Mines—in the Gowganda district reports that the plant is being put into shape. First work on No. 1 vein system southwest from the No. 1 shaft, is reported to have opened up a vein about 12 inches wide, about half of which has massive cobalt ore. This vein has been traced for several hundred feet. Work on dewatering the various underground workings is proceeding.

* * *

Southern Golds—advises that underground development at its Piedmont, South Carolina, property is making good progress and that drifting on a third vein is under way. The new occurrence, it is stated, was picked up in a crosscut driven north from the 135-ft. level and where intersected showed mineralization over a 2½-ft. width.

Inco Explores Near Ardeen

Property Gives Some Promise as Base Metal Venture

PRECIOUS METALS

From Our Own Correspondent

KENORA.—What is regarded as the most important base metal exploration ever uncovered in northwestern Ontario is now being explored with diamond drills by International Nickel Co., four drills having completed about 15,000 ft. of this type exploration to date.

The property is owned by the Cross-Anderson interests and is held under option by Inco. The claims are located at Shebandowan Lake, in the Thunder Bay Mining Division, west of Port Arthur, close to the old Moss mine now owned by Ardeen Gold Mines. Drilling has been going on continuously since last June, most of the work to date being of a shallow nature. In recent weeks a large drill capable of going down 2,000 ft. has been moved to the property for deep exploration.

At present, the four rigs are set up on the ice of Shebandowan Lake, with a view to completing as much work as possible before the snow goes, after which plans of the company are not known. Undoubtedly, however, further work will be done, as the results to date have been encouraging.

Held under option by Sudbury Basin in 1929, 400,000 tons of ore, with a similar grade as Falconbridge, except for the precious metals which run higher at Shebandowan, were indicated by the 5,000-ft. drilling completed at that time. Average values were 2% nickel, 1% copper, $3 to $5 in precious metals and $3 to $5 in the platinum group. Rich assays or iridium, palladium and rhodium in the platinum group have been secured over the entire property, while one section of drill core ran five ounces of gold for a length of six feet. The main showing outcrops for one mile, with width ranging from eight to 32 ft.

Duport Starts More Drilling

Work Will Influence Plans for Sinking New Shaft

From Our Own Correspondent

KENORA.—A diamond drill was flown to the Duport Mining Co. property at Shoal Lake, Jules Cross, president, states, the rig to be operating before this reaches print with a view to completing another 2,000 ft. of drilling through ice of Shoal Lake before the break-up comes. The Duport has been inactive since October when some drilling was done underground.

The programme ahead, after the drilling has been completed, is to sink a new shaft to 625 ft., drive a long level at that depth, open up the ore in this section of the mine and use the horizon to drop all ore down from the old workings to be run out to the new shaft for hoisting. Already 100,000 tons of ore are blocked out. With the programme now being arranged, it is expected to block out sufficient for a mill of at least 200 tons and possibly 300, to be built.

Present workings at the mine are 382 ft. deep, with four horizons, the main vein having been developed for a length of 365 ft. to date, faces still being in ore. Average width of vein is eight feet, while it appears to widen with depth. Values in the blocked out ore average $13 per ton. When organized the company secured $25,000 to get work started and, since then, the $140,000 spent on development has all been secured from shipments of high-grade ore.

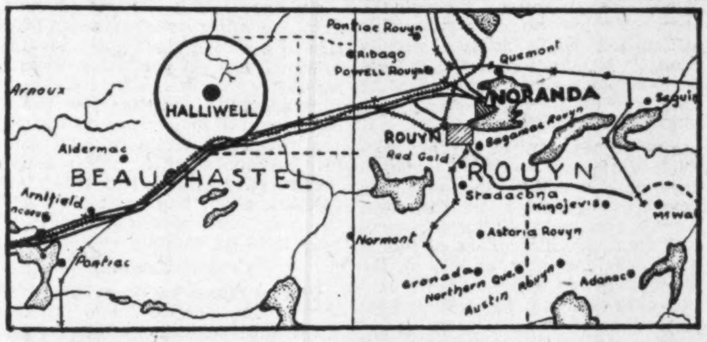
Int. Petroleum Output At High Average Rate

International Petroleum Co. production was 2,932,088 bbls. of crude oil in January, an average daily rate of 94,583 bbls.

This compares with average daily output in Peru and Colombia of 95,009 bbls. in December and 93,490 bbls. in November. The average daily output for the calendar year 1936 was 92,575 bbls.

ROSS-DANIELS LIMITED
RECOMMEND
McRAE GOLD MINES LIMITED
(No Personal Liability)
A RICHARD EXPLORATION COMPANY LIMITED Development
132 ST. JAMES STREET WEST, MONTREAL
BElair. 2808

MANITOBA & EASTERN MINES LIMITED
(No Personal Liability)
Incorporated under the laws of the Dominion of Canada
Authorized Capitalization
5,000,000 Shares (No Par Value)
OFFICERS AND DIRECTORS
WALTER E. HURD, President, Narberth, Pa.
A. J. BOLTON, Vice-President, Toronto, Ont.
T. M. MUNGOVAN, Secretary, Toronto, Ont.
W. G. CHIPP, Treasurer, Toronto, Ont.
R. J. JOWSEY, Director, Toronto, Ont.
BRUCE ARNOTT, Mine Manager
Head Office
709 Excelsior Life Bldg., Toronto
Mine Office
Temagami, Ontario



HALLIWELL GOLD MINES LIMITED
(NO PERSONAL LIABILITY)
An opportunity combining good location, substantial diamond drilling results, adequate capital and sincere effort. Shaft sinking and underground developments now under way.
CAPITALIZATION
Capital ($1.00 Par Value) $3,000,000
Issued for Properties (escrowed) 1,000,000
Issued for Cash 1,993,000
Cash in Treasury, after full payment of all expenses to date 400,000
HEAD OFFICE: ROYAL BANK BUILDING, MONTREAL
OFFICERS AND DIRECTORS
F. X. FORGUES, President
STANLEY JOHNSTON, Vice-Pres.
FERNAND DUFRESNE
WM. PAPKE, M.E.
LOUIS HURTUBISE, Sec.-Treas.

A Complete Mining Brokerage Service
An unusually prompt service for the purchase or sale of mining or other securities and in transmitting up-to-the-minute information is assured by complete and fast wire facilities between our eight branch offices and the leading financial centres.
JOHNSTON AND WARD
Head Office: THE ROYAL BANK BUILDING, MONTREAL
Members: Montreal Stock Exchange
Montreal Curb Market
Canadian Commodity Exchange, Inc.
Branches: MONTREAL, P.Q.; HALIFAX, N.S.; TORONTO, Ont.; SYDNEY, N.S.; KINGSTON, Ont.; SAINT JOHN, N.B.; LONDON, Ont.; MONCTON, N.B.

CHEMICALS
for the Mining Industry
CRESYLIC ACID
DU PONT FROTHING OILS
LEAD ACETATE
LEAD NITRATE
THIOCARBANILIDE
PINE OIL
"Yarmor F" Steam Distilled
LITHARGE—
Assay & Commercial
ZINC DUST • SODA ASH
SODIUM ETHYL TRITHIOCARBONATE
(a new flotation reagent)
CHLORINE • MERCURY
C.P. ACIDS AND AMMONIA
MINERAL ACIDS—
Sulphuric, Muriatic and Nitric
MANGANESE DIOXIDE
SODIUM NITRATE
SODIUM BICARBONATE
SODIUM SILICATE
COPPER SULPHATE
ZINC SULPHATE
ZINC CHLORIDE
for Timber Treatment
SODIUM CYANIDE "Cassel" Brand, 97/98 NaCN
C-I-L
CANADIAN INDUSTRIES LIMITED
Chemical Sales
General Chemicals and Organic Chemicals Divisions
HALIFAX MONTREAL TORONTO
WINNIPEG VANCOUVER

Manitoba Looks to Mining Industry

Province Stands To Reap Benefit Of Metals' Rise

Two New Gold Producers in 1936 — Two More For 1937, Plus Base Metal Operations is Present Outlook

From Our Own Correspondent

WINNIPEG. — Striking as were mining developments during 1936, those of 1937 give every indication of being much more important in Manitoba than any previous year in its history. Two new gold properties came into production last year. There will be probably two more during the present year while in addition the **Sherritt Gordon** plant will reopen. The **Mandy** mine may again be brought into production, the former as a copper-zinc property and the latter as a straight copper producer. Both of these two have formerly operated and would have continued except for the low price of copper. With that metal rapidly approaching the 15 cent stage again, Sherritt Gordon is only awaiting an adequate power supply to commence shipment of concentrates to Flin Flon. The mine itself is in readiness. The Churchill River Power plant, 65 miles north of Flin Flon on the Churchill River is being enlarged. Work will shortly be completed and Sherritt Gordon enabled to get the power it needs. Mandy, only five miles from Flin Flon, could also easily be supplied with power. Its plant and equipment are in readiness and it could be put into production almost any time.

Oxford Lake Area

In two other sections of the province base metals are engaging the attention of large mine operators. At Oxford Lake a large copper-gold deposit has been staked for some years. Assessment work has been done, now amounting to several thousand dollars in value and going a long way toward indicating values. Some diamond drilling has also been done and though the property is not so readily accessible for base metal mining as others, it is believed it could be made to pay, with its considerable gold content. The Jowsey interests have furnished money for a commencement of operations during this spring. It may not be in this connection, but it is at least significant that on behalf of Jowsey, Lindsley interests, etc., application has been made to the Manitoba Government for the development of White Mud Falls, one of the largest potential power sites in Manitoba, and situated on the Nelson River. In any event power to the Oxford Lake country might be supplied from the Kanuchuan Power plant which at present has only one customer, the **God's Lake Gold Mines.**

Bird River Copper

Much closer to Winnipeg, another base metal project is gradually unfolding. On the Bird River and only a short distance from the power sites on the Winnipeg River, the existence of copper deposits has been known for some years. Over a period of years and by a number of companies, a considerable amount of work has been done. The original holders are nearly all now out of the picture, but the main properties have been brought together and grouped roughly in two large sections. One is now being drilled under the auspices of the **Northfield Mining Co.,** a Lindsley operation in Manitoba. This work is on the property which was consolidated under the name of the **Great Falls Mining and Smelting Co.** Other properties have been added and drilling has been considerably extended, indicating possibilities. Unconfirmed reports say an operating company to be known as the **Stanmore Co.** is being formed and that drilling shows commercial values in nickel. A railway line has already been surveyed through the area, showing no insurmountable difficulties, while as has already been stated, there is at the present time ample power development to take care of the requirements of a large-scale operation.

Now comes word of the incorporation of a second company, comprising a number of Winnipeg people to develop a property in the same general area and with the same general characteristics. Part of this is what was formerly known as the Mayville group and also had a considerable amount of development work done on it some years ago.

Hudson Bay Smelters

Outside of the increase in the plant of the Churchill River Power Co., owned by the **Hudson Bay Mining and Smelting Co.,** no particular changes are planned by that company at Flin Flon. Some minor changes, alterations and additions are constantly being done but it is planned to continue to operate during 1937 at about the same daily tonnage as prevailed during 1936, that is 4,400 tons per day. It is probable there will be some rather considerable enlargements in the production of zinc as not by any means all of the zinc concentrates have been handled in the concentrator, largely because of the necessity for using the power for other purposes. With the enlargement, however, of the power plant, more power will be available for the electrolytic plant and a start will be made on some of the zinc concentrate tonnage which has piled up. With both zinc and copper prices up, Hudson Bay Mining and Smelting Company will show considerably increased profit for 1936 and should, as appears likely, base metal prices be maintained throughout the present year, 1937 will undoubtedly be the most profitable year the company has yet experienced.

Manitoba's two new gold producers were **Gunnar Gold,** operating a 150-ton mill in the Beresford Lake area, about 100 miles northeast of Winnipeg and **Laguna Gold Mines** in the Herb Lake district, northeast of The Pas. The latter, though to all intents and purposes a new producer, under its former name of the Rex, did produce a small quantity of gold some years ago. Laguna is operating a 60-ton mill, commenced to operate Aug. 1 and to the end of the year had turned out bullion to the value of $166,674. There is now some talk of enlarging the mill operation, particularly as underground work gives indications of ample mill feed of good grade ore.

Gunnar Gold with underground developments in one shaft down 1,000 ft. and a second shaft down several hundred feet, is producing around $50,000 per month with costs running around $5 per ton. Ore ahead has been well maintained during the past year and while it only commenced operation in mid-summer its operations enabled it to pay off $250,000 which had been borrowed to bring it into production and provide working capital.

Central Manitoba

Central Manitoba Mines, the original of the consistent gold producers in the province, is still in about the same uncertain condition as regards ore reserves as it has been practically since its inception. It seldom has more than a few months ore ahead of it and quite frequently only ore sufficient for weeks. The main or Kitchener shaft has been deepened to 900 ft. and efforts are now being made to find ore bodies on the lower horizons of this section of the property as well as on the 450-ft. level of the Hope shaft at the east end of the property. Production varies considerably, being over $40,000 for December and $36,000 for January. Nearly $5 millions has been taken from the mine in bullion since it first commenced to operate, practically all of which has come from horizons above the 450-ft. level.

San Antonio

San Antonio continues to be the premier gold producer of the province, not only by virtue of its production but also because of the fact that ore reserves have always been kept a long way ahead of the mill and at the present time are probably greater than they ever were.

During 1936 San Antonio was doing a "cleaning up" job in its underground mining and the grade of ore put through the mill was around $9 or slightly lower. Even at that the property paid two seven cent dividends to its shareholders. By the end of the year it was able to announce a new ore body below the 1,000-ft. level running 15 ft. wide in places and averaging $15 per ton. Lengths while quite substantial had not been delimited. Without question, however, the ore body was one of the most important ore occurrences the mine has found to date and indications were that as depth mining continues so will ore with at least good commercial values.

San Antonio is operating 310 tons per day and the question of enlarging the mill to 500 tons daily will likely be very much to the fore this year.

God's Lake Gold

God's Lake Gold, after commencing 1936 with some rather discouraging results so far as underground work on the third and fourth levels was concerned, finished the year with the picture mine-wise completely changed. While it had a successful year in 1936, both in ore tonnage placed ahead of the mill and in its mill operation and recovery, it enters 1937 with vastly improved prospects all the way round. No work, or very little, has been done on its fifth and sixth levels and any work now done, in the light of increased knowledge of geological conditions underground, will be of great benefit during the present year. The mill capacity is being stepped up to 200 tons daily against the present 150 tons and it is an open secret that plans are to further increase it to 500 tons so soon as ore conditions below will warrant the enlarged tonnage operation.

Gurney Gold

Among the mines to be, **Gurney Gold Mines** is in the most interesting situation. It is practically at milling stage now, with plenty of ore in sight to commence operations with a 100-ton mill. Recent further discoveries on its somewhat extensive terrain have indicated the possibility of much larger tonnage than was originally figured on, with the result, directors of the company are considering the advisibility of commencing with a larger mill than originally anticipated. Gurney is in no hurry as it wishes to obtain power from the Flin Flon-Sherritt Gordon line and as yet there is no power available. In the meantime the shaft has been taken down to 625 ft. and a crosscut is being put through to cut the vein system. Gurney management figures on having plenty of ore to draw on for mill feed by the time the mill is ready and to be able to carry on development work without interfering with milling operations.

Cranberry Portage Field

At Cranberry Portage, or within a mile or so two operations are getting under way—**Kelsey Gold Mines** under the direction of T. E. Hartnett and **Bergold Mines,** the latter under the direction of Gunnar Berg. Both are shaft sinking and shipping ore, probably well sorted, to the smelter at Flin Flon. In both, car load shipments have indicated an ounce of gold or better to the ton.

Close to Flin Flon, **Flin Flon Gold Mines** is pursuing a programme of steady development. Originally planning to operate a small concentration plant, the company believes now it will have to revise its plans upward. **Wekach Gold Mines,** near neighbor to Flin Flon Gold, is also planning a drilling campaign during the summer. In the same locality **Henning Maloney** is drilling and reports some excellent cores. The drilling will be carried on for the balance of the winter as a portion of the property lies in swampy ground not readily accessible in summer.

At Phantom Lake, **Man-Sask Gold** has a small crew of men at work under the direction of Bob Graham, preparing camps, etc. and generally getting ready for the diamond drills.

Small Mill for Monarch

To the southwest on Amisk Lake, **Monarch Gold** mines is finishing up the installation of a small but modern milling plant and this is expected to be in operation by the beginning of March. The operation is based on a narrow but rich vein and is being watched with much interest.

All across the northern frontier from the Saskatchewan boundary to the eastern shores of Herb Lake there is a great revival in activity. Drilling is in progress on several of these which include the **Gold Shower, North Star. Century Mining Corp.** is shipping in a complete mining plant to the Webb-Garbutt property on Elbow Lake and will be ready for early spring, while **Reed Lake Mines** has a crew on its property stripping, trenching and sampling and generally getting ready for the diamond drills.

There are also a score or more of operations either under way or planned for the early spring in the nearer district of Rice Lake, Bull Dog Lake, Wallace Lake, etc. Crews have been engaged for months on some of these such as the **Wingold,** drilling and on the **Conley** at Wallace Lake where high values in both gold and silver are found.

Consolidated Diana has completed bulk sampling its property and is now engaged in putting ore in sight preparatory to again commencing milling operations, which were discontinued some months ago.

Banks Open Mining Offices

For the first time in many months, branches of Canadian chartered banks showed an increase in January. Four new branches, all in mining areas, were opened during the month and only one was closed, bringing the number of branches at the end of the month to 3,506 of which 3,359 are in Canada.

Offices opened in January were: Garson Mine, Ont., Bank of Toronto; Goudreau, Ont., Bank of Montreal; Larder Lake, Ont., Imperial Bank; Rouyn, Que., Dominion Bank. The Bank of Nova Scotia closed its branch at Stoughton, Sask.

Ore Picture At God's Lake Looks Better

Reserves Increased By 37,500 Tons in Past Year

RECOVERY $11.73

From Our Own Correspondent

WINNIPEG.—God's Lake Gold Mines' annual report, now out prior to the annual meeting which will be held in Winnipeg March 3, is a cheerful document compared to the previous statement. At that time, the mine, in production for less than a year, showed a net loss of $20,488 while this year net profits, after charging to operation 300 ft. of shaft sinking were $123,691. Its ore reserves are increased by 37,500 tons, although the grade is slightly below that of a year ago. Machinery and equipment is either at the plant or on the way, to step the mill up to 200 tons per day.

While no information is given in the statement as regards operations for the first two months of the current year, the mine picture is reported to show even more improvement.

Gold Recovery

Total gold recovery for the year was $639,722, equivalent to $11.73 per ton. Total operating expenses, inclusive of head office expense was $7.41 per ton, considered a reasonable figure considering the distance of the property and its distance from railhead, 130 miles from Ilford on the Hudson Bay line of the C.N.R.

Third and Fourth Levels

Work on the third and fourth levels of the mine during the latter half of 1936 produced the second largest ore body so far found. Practically no work has been done on the fifth and sixth levels but the report points out the mine is now in a position to benefit greatly from the work to be done during the present year.

The balance sheet shows cash, accounts receivable and bullion in transit to the mint of $96,592. Materials and supplies on hand $213,480; advances to Jowsey Island Gold Mines $65,741, against which the company owns 1,200,000 shares, carried at $1. Sundry items such as prepaid insurance total $20,594.18. Pre-operating and deferred development expenditure with deferred expenditure for the year under review totals $601,484. Plant, buildings, machinery and the Kanuchuan Rapids power development, less depreciation is $1,179,283, a total of $2,199,814.

On the liabilities side, accounts payable, wages and reserve for income tax amounts to $58,780. The 3,500,000 shares are shown at $2,037,831. There was a debit balance for 1935 operations of $20,488.43 deducted from the net profit leaving the amount to be carried into the statement as $103,203.

Jowsey Island Watching God's Lake Development

Pending further financing, Jowsey Island Gold Mines, subsidiary of God's Lake Gold Mines, Manitoba is following God's Lake development, westerly, and when financing is arranged they believe further diamond drilling should be undertaken, says R. J. Jowsey, president, in Jowsey Island Gold Mines' annual report covering operations during 1936. In the meantime work on the property remains suspended.

Work was carried on at the property July 10, during which time two ore shoots were opened up on the first and one on the second level. Diamond drilling completed underground totalled 1,115 ft.

Current assets, including cash on deposit with banks, accounts receivable and supplies on hand totalled $46,268, and current liabilities, including loan payable to God's Lake Gold Mines, $66,102, leaving a deficit of $19,834 in the working capital position.

Change to Electricity Boosts Osoyoos Output

Conversion to electricity of mill equipment of Osoyoos Mines Ltd., has been completed. The mill started to run a few days ago on power supplied by West Kootenay Power Co., according to J. O. Howells, the company's engineer. Mill capacity has been raised to approximately 60 tons a day by installation of electrical equipment.

W. J. Asseltine has been engaged by the company as consulting metallurgist to take charge of the mill, which heretofore has been operated with Diesel power.

The company's engineers estimate that some 40,000 tons of commercial ore is indicated by underground work on the Dividend and Lakeview claims. Over 5,000 feet of tunnelling and crosscutting is stated to have been completed. More active development of further ore indicated by diamond drilling is now being carried on with a view to increasing ore reserves and capacity of the mill. Ore has been developed on the No. 1 and No. 2 levels on the Dividend claim. On No. 3 level, diamond drilling is stated to indicate downward extension of the ore body. Ore was encountered below the opening for a fourth tunnel.

The company has ample funds from the recent offering of shares at 67 cents each by R. A. Daly & Co. for more active development work. Prior to the recent offering, development was financed privately by western business interests including John I. McFarland, of Calgary, president of the company.

Reward Mining Co. List 5 Million Shares

From Our Own Correspondent

MONTREAL. — Capital stock of Reward Mining Co. has been called for trading on the Montreal Curb Market. The listing covers authorized capital of five million shares, of which number 3,446,168 have been issued with the balance remaining in the treasury.

Central Cadillac Gold List Stocks in Montreal

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has listed Central Cadillac Gold Mines stock, of which three million shares of $1 par value each have been issued. Of the allotted shares, 1,239,993 are held in trust and are under option as follows: 490,000 shares at 25 cents each; 500,000 shares at 30 cents and 249,993 shares at 40 cents.

Amos Gold Mines—reports from Amos that No. 3 diamond drill hole has encountered high-grade at a depth of 358 ft. This hole is being put down 100 ft. east of No. 2, and assays from the first two holes are expected to be released shortly.

Geo. E. Harley
J. F. McDonagh

H. S. Easton
W. G. Fisher

HARLEY, EASTON, FISHER & McDONAGH

Members

The Toronto Stock Exchange
The Winnipeg Grain Exchange
Chicago Board of Trade
New York Curb Exchange (Associate)
Canadian Commodity Exchange Inc.

TORONTO
170 Bay Street

LONDON
382 Richmond Street

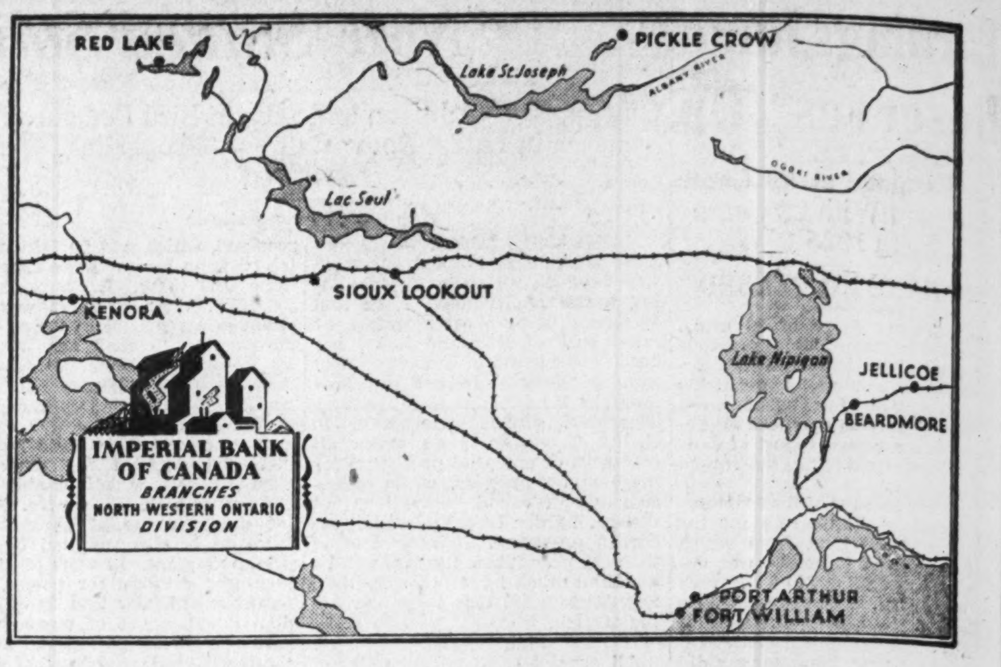
SUDBURY
Nickel Range Hotel

ABBEVILLE
BROWN CADILLAC
CADILLAC EXPLORATION
RED GOLD

BOUGHT — SOLD — QUOTED

Full information on request

GRANVILLE & COMPANY, INC.
MONTREAL
Marquette 4141 204 Hospital St. Marquette 2201



New Mining Fields
Red Lake — Pickle Crow — Sturgeon River

BRANCHES of the Bank in operation in these new mining fields are at Red Lake, Pickle Crow, Jellicoe and Beardmore.

This Bank has pioneered with the pioneers throughout Ontario's mining developments.

If you have business "up North" we will be glad to put our services at your disposal.

Complete List of Imperial Bank Branches in the North Country

Beardmore Cobalt Cochrane Englehart Fort William Hearst Jellicoe Kapuskasing
Kenora Kirkland Lake Matheson New Liskeard Noranda (P.Q.) North Bay Pickle Crow
Port Arthur Red Lake Richards Landing Sault Ste. Marie Sault Ste. Marie (Gore & Queen St.)
Sioux Lookout South Porcupine Sudbury Thessalon Timmins

IMPERIAL BANK OF CANADA

UNITED STEEL IN INDUSTRY . . . . . NUMBER ONE

A Giant serving the Giants of Industry

IN EVERY industry major problems arise . . . problems involving increased production, lower costs, maintenance . . . of obtaining maximum efficiency from both man and machine-power.

If such problems exist in your business, there is a giant ready to serve you in the personnel, experience and resources of United Steel Corporation Limited. By designing and manufacturing dependable industrial equipment to meet modern requirements, we are helping industries, large, small, and of many different types, all over Canada.

You are under no obligation when you ask us to study your individual problem. Let our experience and knowledge serve you!

A DODGE Installation at Shawkey Gold Mine — Province of Quebec.

The engineers of many of Canada's largest producing mines rely on dependable DODGE equipment. DODGE designs and manufactures a complete line of

Feeders—Conveyors—
Bucket Elevators—
Modern Power Transmission.

UNITED STEEL CORPORATION
LIMITED

TORONTO . . WELLAND
DODGE MANUFACTURING DIVISION
CANADIAN MEAD MORRISON
MONTREAL . . WINNIPEG

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, FEBRUARY 27, 1937 | 10c a Copy; $5.00 a Year | No. 9

NATIONAL MINING NUMBER

Mining Industry Assumes New and Important Place In Canada's National Life

Operations of Past and Current Years Establish Entire Mineral Family on Basis of Sound Progress—Hopes for Future Based on Tangible Factors

By **WILFRID SANDERS**
The Financial Post Mining Editor

The Canadian Mining Industry in the past 12 months, has done more to establish itself in the confidence of Canadians, and in the eyes of the world, than in any previous 12-month period.

There have been other booms. The most intense of these, however, have been either localized in one camp or confined to one of the varied kinds of mine products.

Following the action of President Roosevelt in establishing a gold price of $35 an ounce the gold areas of Canada experienced a new burst of activity, which, incidentally has not abated. Base metals, however, at that time, remained in the doldrums.

What has made 1936 the banner year in Canadian mining history is the stimulus which has pushed forward the entire mineral family, precious metals, base metals and non-metallic. Hope for 1937 is based on tangible factors. Activities under way and planned for this year give definite promise that a new high mark will have been set when the record of this 12-month period is presented.

Canadians, and the world at large, would be worse than blind if, in the face of overwhelming evidence, they underestimated the place of mining in the national life of the Dominion.

* * * *

In the pages of this issue the reader will find plenty of this evidence. He will find that, with the exception of forestry, the mineral industry has shown a greater long term improvement than any other industry in Canada.

He will find that it contributes, every year, some $70 millions to Canadian concerns for supplies alone.

He will find that total dividends paid by Canadian metals mines to the end of 1936 totalled about $734 millions. Of this amount, about $81 millions was contributed last year.

* * * *

Other facts, of significance to every Canadian, which may be gleaned from the following pages are:

Roughly about 300,000 persons, including the miners and their families, are directly dependent on the mineral industry for a livelihood.

Against tremendous world competition, Canada has maintained her position as first ranking producer of nickel, platinum and asbestos; second world producer of radium and zinc; third world producer of gold, silver and copper; fourth in world production of lead.

In 1936, Canada's production of gold, nickel, lead, zinc, platinum, asbestos and salt, was at an all time high.

In 1936, gold mills started to produce on 55 different properties, stretched out between the Atlantic and the Pacific.

Canada's gold producers today number 161, as compared with 37 ten years ago. Last year, some 178 metal mines reported production.

For the first time, Canadian life insurance companies are including stock of mining companies in their portfolios.

At the present time, there are already some 47 gold mining companies which plan to start production in Canada during 1937. Of this number, 27 are located in Ontario, six in Quebec, three in Nova Scotia, and 11 in British Columbia.

In 1936, 42 mining companies paid dividends. In 1935 there were 31 dividend payers. In 1930 there were 16.

* * * *

All these facts indicate, in the main, one thing—growth. Mining is a growing industry, and has been for many years.

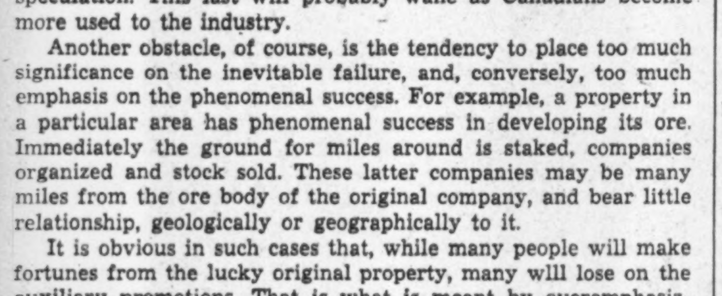
In this growth it will meet with, and has already met with many obstacles. One is the get-rich-quick promoter, who seeks to capitalize on this growth for his own nefarious enrichment. Another, onerous taxation, has, temporarily at least, been ameliorated by a sympathetic government.

One of the worst obstacles is the ignorance with which a great part of the general public approach mining investment and mining speculation. This last will probably wane as Canadians become more used to the industry.

Another obstacle, of course, is the tendency to place too much significance on the inevitable failure, and, conversely, too much emphasis on the phenomenal success. For example, a property in a particular area has phenomenal success in developing its ore. Immediately the ground for miles around is staked, companies organized and stock sold. These latter companies may be many miles from the ore body of the original company, and bear little relationship, geologically or geographically to it.

It is obvious in such cases that, while many people will make fortunes from the lucky original property, many will lose on the auxiliary promotions. That is what is meant by overemphasizing success. This obstacle will also, in all probability, decrease in importance as the Canadian public becomes educated to the mining industry.

In the meantime, in spite of these obstacles, the industry has, as the following pages attempt to show, shown itself worthy of the consideration of all Canadians.



With activity in each month running at record proportions, except for March and April, 1934, and prices continually breaking into new ground, the above chart shows 1936 to have witnessed one of the most outstanding markets. Gold shares, which dominated the action entirely during 1934 and 1935, finished the year with a flourish, prices around their highest for all time in most cases, and volume much heavier than usual for the month. Base metal shares, after lagging behind, finally joined the upward spurt.

Mining Activity Is Continuing At Red Lake

More Than 45 Companies Actively Developing in the Field

COMEBACK IS SEEN

The Red Lake comeback, which started little less than three years ago, gains momentum and, as a result, during the present winter the mining activity is as intense as the record-breaking summer of 1936.

Of the three producers, **Howey**, **McKenzie Red Lake**, and **Red Lake Gold Shore**, the McKenzie Island operation is providing the most news at present. Having started out in March, 1935, nearly five years after Howey became the pioneer producer. **McKenzie Red Lake** has made steady strides in milling and mining operations. Attentions at present are being centred upon tuning-up the new mill unit which is rated for 200 to 225 tons. The possibilities are, that with this increased capacity, McKenzie in 1938 will step ahead of Howey in the year's productive totals. **Howey** is not improving grade—in fact the mill heads continue to drop—but the operation continues to show a neat profit so that the future still holds promise. The first six months' results from operations of the **Red Lake Gold Shore** 150-ton mill have been disappointing, it having been difficult to step-up the unit to capacity while extraction was not as anticipated. However, every effort is being concentrated on improving efficiency of the mill. The unit is at present running 145 tons daily with capacity of 150 tons expected within a few weeks.

Madsen Red Lake

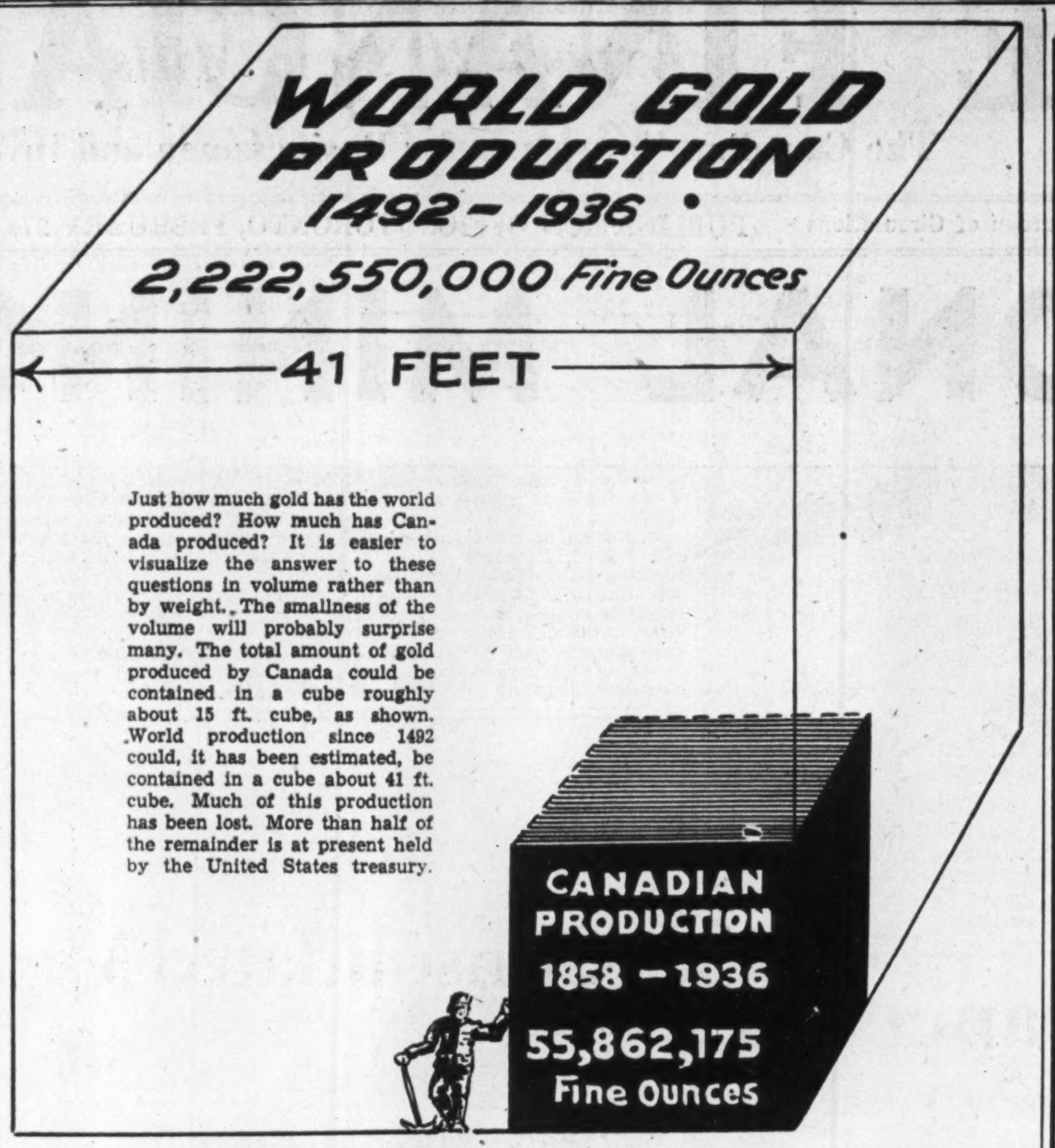
At **Madsen Red Lake** a crew of 35 men is working on preparing the shaft site. A new headframe is being erected while a steam mining plant is to be used in the sinking operations owing to the disappointment in being unable to get hydro power. The Madsen find of last summer is the outstanding feature of Red Lake activity of recent months so that, should results of the underground programme now being arranged stand up to diamond drill indications, Red Lake will be sure of another producer. **Cochenour Willans** is another large tonnage possibility for production. A shaft is down 275 ft. and two levels are at present being developed. On the 150-ft. horizon 300 ft. of ore which runs as wide as 65 ft. has been developed, with grade unofficially stated to be about $10, while on the second horizon a crosscut is being driven to intersect five ore sections indicated in diamond drilling. The plans are to sink for another level at 400 ft. and, if results expected are secured, a mill of large capacity may be purchased and moved to the property before freeze-up next fall.

Gold Eagle Gold Mines is likely to be Red Lake's No. 4 producer. Sufficient ore is considered to be in sight to justify building a 100-ton unit, so that plans are proceeding to have this delivered immediately after break-up. An electric hoist and compressor and new headframe have been installed while a transmission line is hooked up. It is expected to start tuning-up the mill during August. **Cole Gold Mines**, which is developed to a depth of 500 ft. with five levels, is regarded as a possibility for entering the productive ranks during the current year on a 75 or 100-ton basis.

45 Other Companies Active

In addition to the above operations, which can be regarded as those of prime importance in the Red Lake camp, there are another 45 companies working at present in underground, shaft sinking, diamond drilling and surface campaigns. There are a number of good chances for 1938 producers. **Red Crest Gold Mines** has completed a shaft 275 ft and opened up interesting conditions on two levels while a plant of increased capacity is now on order to carry work deeper. The future of **May Spiers**, developed 350 ft. with two levels, is rather uncertain as, after many hundred feet of lateral work, results have been inconclusive. **Frontier Red Lake** has completed a shaft 250 ft., and just started getting into interesting ground when operations were suspended temporarily so that the possibilities as yet remain indefinite. **Faulkenham Lake Gold Mines** has its plant installed and the shaft now going down under power. A shaft is to be started at **Skookum** as soon as a Diesel plant has been secured. **Rouge D'Or Gold Mines** is mentioned as a possibility for early shaft sinking in view of the locating of an extension of Madsen conditions. **Paulore** is drilling on both its north and south groups while, on the latter, a shaft is to go down as soon as the mining plant can be installed. Likewise at **Altura Gold Mines** a 250-ft. shaft will go down when a plant can be set up. It has already been started down by handsteel while a headframe is being built. With excellent results being secured at **Lake Rowan Gold** plans are proceeding to set up the small plant of Red Crest's and sink a shaft. **Margaret Red Lake Mines** is operating two diamond drills, with shaft sinking considered.

Howey is to diamond drill on **McCuaig Red Lake** while the same company already has a drill working on the Russet. Other groups on which diamond drills are now working or where surface exploration is proceeding with plans in hand to drill are: **Derlak, Prena, Sanshaw, Rowan Red Lake, Gold Seekers, McAndrew, The Starratt** group acquired by Houston, Texas interests, **Richmac, McManus Red Lake, Val D'Or** option (Starratt-Cook-Olson group). **Advance, Red Indian, Dupont Hodgson, Laverty, Bysche Red Lake, Rajah, Mather Gold Mines, Cockeram Red Lake, McCallum Red Lake, Heyson Red Lake.** Companies carrying out surface prospecting include **Wilson Red Lake, Ross Red Lake, Black Eagle Red Lake, Wales Red Lake, Baird Red Lake, Redwood, Dawn Red Lake, Spruce Lake Gold Mines, Shepherd Red Lake** and **Maumee Red Lake.** Other companies which have done recent work plan to resume in the spring while there are additional new organizations preparing plans for work, but these are too numerous to mention.



Just how much gold has the world produced? How much has Canada produced? It is easier to visualize the answer to these questions in volume rather than by weight. The smallness of the volume will probably surprise many. The total amount of gold produced by Canada could be contained in a cube roughly about 15 ft. cube, as shown. World production since 1492 could, it has been estimated, be contained in a cube about 41 ft. cube. Much of this production has been lost. More than half of the remainder is at present held by the United States treasury.

Products From Mines Worth $686 a Minute

Metals Play Big Rôle in Industry's Expansion — Increase Is 15.4 Per Cent Over 1935

Every day last year, Canada's mines and quarries were turning out new wealth to the tune of nearly $1 million per 24 hours.

To be more exact, every minute last year, about $686 was produced, all of it wealth for Canada which had not existed the minute before.

Production for 1936, at $360,340,000, showed an increase of 15.4% over 1935. This constitutes a record year. Perhaps more significent is the fact that this record production was not attained through any freak combination of events, but by a normal increase in output, and improved prices, particularly among the base metals.

While, as will be seen from the tables accompanying this article, nonmetallics made a notable step towards normal times, it was among the metals that the bulk of the striking production records were made.

Metal production in Canada last year set up an all time production high of $256,355,000 according to preliminary estimates made by the Dominion Bureau of Statistics. This figure represents an increase of 16% over 1935, and accounts for 71% of the total mineral production of Canada.

Gold

Higher production from the established producting camps of Canada, and new production from the 1936 producers, culminated in establishing a record gold production for Canada of 3,720,505 fine ounces, a gain of 13% over 1935. Moreover, this figure is double the gold production recorded 10 years ago. The province of Quebec made a notable increase in production which, in 1936, was 41% over the 1935 output. Elsewhere will be found a table showing the gold production record in the various provinces.

Copper

No metal was more closely watched than copper in the past year. The fact that recently the price of the yellow metal rose sharply to 14 cents per pound, indicates that copper will again play a prominent rôle in the 1937 mining story.

This rise in value more than offsets decreased volume of production in 1936. In that year the amount of copper produced in Canada declined some 5 million pounds to 414,137,000 pounds. Value of output, however, rose to $38,665,000 as compared with $32,311,960 in 1935.

Much of the decrease in volume was caused by curtailed production in British Columbia where the drop was accounted for by the closing, in August, 1935, of the Anyox mine of Granby Consolidated. In Quebec, particularly, gold-copper ore is generally amenable to controlled production, and it is possible for the management to lower the output of copper, and increase that of gold during periods of low copper prices. With higher prices in effect in 1937, with Granby planning to reopen its Copper Mountain property, and with Sherritt-Gordon and other nonproducers planning to restart, volume of copper production is certain to show an increase in the current year.

Nickel

Despite the fact that expansion at International Nickel Co. and at Falconbridge has not yet been fully reflected in production figures, Canada's nickel output in 1936 totalled 167,713,000 pounds, valued at $43,471,000, representing an increase over the previous year of 21% in quantity, and 23% in value. B.C. Nickel Mines shipped a small quantity of nickel-copper ore to Japan during the past year, representing the first production from this province.

In a year of records, the fact that lead production in 1936 constituted the highest production Canada has ever known, is liable to be understressed. Production of lead, chiefly from the Sullivan mine at Kimberly, operated by Consolidated Mining & Smelting Co., amounted in the past year to 377,965,000 pounds, an increase of 9% over 1935 production. Lead is also produced from the Brittania Mine, of Howe Sound Co., and by Premier. The Mayo camp in the Yukon produced over 2.5 million pounds of lead in ores. In Quebec, production comes from the Tetreault property, re-opened in June, 1935. Through the Sterling mine in Cape Breton, Novia Scotia again was among the lead producers.

Zinc

Canada's zinc production gained 8% in value in 1936, production being valued at $10,765,000 from 326,916,000 pounds. Volume was up 2%. Production came from British Columbia and the Flin Flon area of Manitoba and Saskatchewan. Zinc concentrates are being shipped from the Tetreault Mines, Quebec, and from the Sterling mine of Cape Breton.

As with copper and lead, zinc prices have been firmly advancing in recent months, and it is expected that this metal will be in the forefront of mineral developments during the coming year.

Silver

The silver market still remains enveloped in a cloud of uncertainty, chiefly due to the unpopularity and instability of the United States silver purchasing programme, the repeal of which is being demanded by powerful groups. Average price of silver in Canada in 1936 was 45.1 cents per ounce, as against 64.7 cents in 1935. Despite this decline, volume of production rose in 1936 to 18,089,000 fine ounces valued at $8,164,000 as compared with a production of 16,618,558 ounces valued at $10,767,148 in 1935.

It has been pointed out that silver produced from the nickel-copper ores of Sudbury in 1936 was greater than the entire recovery of cobalt-silver ores which were, at one time, Canada's chief source of silver.

Over 53% of the silver produced in Canada last year came from British Columbia. The famous Sullivan silver-lead-zinc mine of B.C. is by far the greatest single silver producer in Canada.

Lake Montigny Arranges Capital in Montreal

Lake Montigny Gold Mines—holding 986 acres in Varsan twp., Abitibi county, Quebec, adjoining Dorval Siscoe, announces that through a firm underwriting of 380,000 shares by Montreal interests the company is assured of funds for development. Capital is 3,000,000 shares, of which 974,995 have been issued for properties (all held in escrow), 45,005 shares subscribed and paid up, 380,000 shares underwritten and 500,000 shares under option. One million one hundred thousand shares will remain in the treasury on completion of financing.

RED LAKE GOLD SHORE MINES
LIMITED
(No Personal Liability)
Incorporated under the laws of the Province of Ontario.
Capitalization ..... 5,000,000 shares no par value
Issued .... 4,500,000 shares
OFFICERS AND DIRECTORS
President DR. ROBT. W. BREULS
Vice-President HARRY A. NEWMAN, K.C.
Secretary-Treasurer IRA E. HOUGH
DIRECTORS
JOHN A. BAKER, M.E., Westport, Conn.
CHARLES V. GALLAGHER, O.L.S., South Porcupine, Ontario
Consulting Engineer JOHN W. SHAW, New Liskeard
Resident Engineer W. P. MACKLE
HEAD OFFICE
350 BAY STREET,
TORONTO
MINE OFFICE
RED LAKE,
ONTARIO

PAULORE GOLD MINES LIMITED
(No Personal Liability)
Capitalization
Authorized ... 3,000,000 shares of $1.00 par value
Issued for properties ... 1,000,000 shares (pooled)
Treasury Issue — 1,061,076 shares
OFFICERS AND DIRECTORS
President
DR. ROBERT W. BREULS, Toronto
Vice-President and Managing Director
CHARLES E. ST. PAUL, Toronto
Secretary-Treasurer, E. M. TICE, Toronto
DIRECTORS
JOHN B. ST. PAUL, Red Lake LUTHER E. WOOD, Buffalo
COLIN A. CAMPBELL, Red Lake
HEAD OFFICE — 350 BAY STREET, TORONTO

MAY-SPIERS GOLD MINES LIMITED
(No Personal Liability)
Capitalization
Authorized .... 3,000,000 shares
Issued .... 2,320,422 shares
OFFICERS AND DIRECTORS
President
HARRY A. NEWMAN, K.C.
Vice-President and Managing Director
CHAS. E. ST. PAUL
Secretary-Treasurer, S. TAYLOR
DIRECTOR
NELSON SPIERS
HEAD OFFICE — 350 BAY STREET, TORONTO

HOWEY GOLD MINES
LIMITED
(NO PERSONAL LIABILITY)
CAPITALIZATION $5,000,000
SHARES $1.00 PAR VALUE
•
Officers and Directors
R. T. BIRKS, K.C. *President*
W. S. CHERRY *Vice-President*
H. C. McCLOSKEY *Secretary-Treasurer*
J. A. NORTHWAY *Director*
J. E. HAMMELL *Director*
FRASER D. REID *General Manager*
E. FUTTERER *Resident Manager*
B. E. MARTIN *Asst. Sec.-Treas.*
•
MINE AND HEAD OFFICE:
RED LAKE
DISTRICT OF PATRICIA, ONTARIO
Toronto Office:
FEDERAL BUILDING, TORONTO, ONT.

BOBJO MINES, LIMITED
(No Personal Liability)
President, R. J. JOWSEY
Vice-President THOMAS H. REA
Managing Director L. K. FLETCHER
Secretary and Treasurer MAURICE CRABTREE, K.C.
Directors
EDGAR H. SACKETT
WILLIAM H. KINCH
C. S. MCKEE
Transfer Agents and Registrars
THE TRUSTS AND GUARANTEE CO., LTD.
302 Bay Street, Toronto
Auditors
ROBERTSON, ROBINSON, MCCANNELL & DICK
Toronto
HEAD OFFICE: 302 BAY STREET
TORONTO, ONTARIO

NORTH GOES SCIENTIFIC

Few realize the extent to which modern scientific methods have utilized the possibilities of the northland to bring the mining industry to the national forefront. The above photograph, taken for The Financial Post, shows Leo Bault, diamond drill setter for Smith & Travers, diamond drill company, reckoning a dip needle and Brunton compass on a home-made stand at Spirit Lake Gold Mines in the Spirit Lake area of Ontario's hinterland. The background is one typically northland.

Mines and Insurance ~

Inclusion in Insurance Portfolios of Mining Stocks Very Significant

By HUGH B. McKIBBON

Field Is Fenced By Restrictions

Marking the mining industry as an established field for investment, life insurance companies have now adopted a definite policy of allotting portions of their portfolios to stocks of producing Canadian mines.

These investments, however, they confined to a field fenced by holeproof regulations which in some cases exclude established mines with strong financial standing.

The accompanying article cites examples of a few of the companies eligible under the regulations and others barred by technicalities.

Considerable discussion has followed the announcement that life insurance companies are to include Canadian mining stocks in their investment portfolios. It will be a surprise to the majority of laymen that mining stocks have not been included in the portfolios before now and these will naturally fall in with the suggestion that this situation should be corrected—that insurance companies should invest a portion at least of their immense resources in the Canadian mining industry.

The catch, however, is that investments by Canadian life insurance companies, whether in public utility, industrial or mining securities, must measure up to certain provisions contained in the Federal Insurance Act, under which act all of our well-known insurance companies operate. The Insurance Act is so designed that of the three investment factors—security, yield and appreciation—security is the more important.

Investment Provisions

As a result of this necessity, provisions governing the investment of insurance companies' funds in common stocks state that regular dividends of at least 4% per share per annum or, in the case of no par value shares, of at least $4 per share per annum, have been paid for the seven years next preceding the purchase of such stock. It is provided, however, that if a company's capital structure has been voluntarily reorganized and no par value shares have been substituted for shares with a par value, then dividends on the no par value stock shall be deemed to be dividends of at least $4 per share per annum if the sum is equivalent to at least 4% of the par value stock.

Needless to say, there are countless other provisions in the Insurance Act, but the above concern the eligibility of mining stocks, in which we are interested at the present time.

Eligible Stocks

Mining stocks eligible as investments at the present time for Canadian insurance companies, then, are confined because of the above provisions to the following companies: Dome, Hollinger, Lake Shore, McIntyre-Porcupine, Teck-Hughes, and Noranda.

Dome—The present company was formed in 1923 and shortly after split its $9 par value shares two-for-one. Although the present shares are of no par value, the provisions require only the payment of 4% on half the former par value, namely 18 cents per share per annum. This rate has been exceeded each year since incorporation of the present company and its dividends for 1936, in so far as the Insurance Act provisions are concerned, equalled 88%.

Hollinger—The present company was formed in 1916 and its shares have a par value of $5, making the 4% requirement of the Act equivalent to 20 cents per share. This rate has been exceeded each year since 1918, and its 1936 dividends are equal to 22% of par value.

Lake Shore—Formed in 1914, its shares are of $1 par value, so that the provisions require payment of four cents per share per annum. This rate has been exceeded each year since 1918 and its 1936 calendar year dividends were equal to 500% of par value.

McIntyre-Porcupine — Formed in 1911, its shares are of $5 par value, making it necessary to disburse 20 cents per share per annum to fulfill the requirements. This rate has been exceeded each year since 1917 and the 1936 dividends equalled 40% of par value.

Noranda—The stock of this company only became eligible for insurance investment at the first of 1936. Incorporated in 1922, its capital stock was of $100 par value but was changed to no par value in 1927 and the shares were split 100-for-one so that, in accordance with the provisions the present no par shares only have to adhere to the provisions of a $1 par value stock. Dividends in excess of requirements commenced in 1930 and have continued since.

Teck-Hughes—Formed in 1923, the payment of four cents per share per annum on its $1 par value shares. Each year since 1926 has seen dividends exceed the required amount, the 1936 payments representing 45% of par value.

Ineligibles

It is rather interesting to look over some of the mining stocks which one would normally place in comparable positions with those mentioned above.

Consolidated Mining & Smelting, for instance, has paid over $50,000,000 in dividends since its incorporation in 1906. Dividends have been paid each year and frequent bonuses have been paid—always well over the requirements of the Act—but, in order to conserve cash, the dividends in 1932 were paid in the form of a 10% stock dividend. Although the stock thus acquired by shareholders was in excess of the requirements when figured out in cash, it was not in cash and, therefore, the stock is at present outlawed as a legal insurance investment. If the stock was acquired prior to 1932, it may be retained in the portfolio, but no new purchases are sanctioned by the Department of Insurance.

Falconbridge Nickel, with total assets of over $8,500,000, has only paid dividends since 1933, so that it is banned. The shares are of no par value so that $4 per share per annum will have to be paid for seven years before it enters the eligible list; the present dividend rate is 30 cents per share per annum.

International Nickel common stock is ineligible for the same reason. The stock is of no par value and would require the payment of $4 per share for the seven-year period; present dividend rate is $1.80 per annum and no dividends were paid in 1932 or 1933.

Wright Hargreaves has paid over $20,000,000 in dividends since 1916 but is ineligible on account of its no par value shares. Present dividend rate is 40 cents per annum plus extras.

The Juniors

Although the country has a great number of promising junior mining companies, it will be seen that the ranks of "eligibles" are select, to say the least. Dividends cannot be paid until the preliminary work is done and the mine producing and even then, due to the fact that the majority of mining companies have no par shares, the annual rate of $4 per share limits the ranks to only a few.

There is a movement on foot to request the Government to revise the Insurance Act in such a way as to allow a greater number of producing mines to enter the "eligible" list and, if this movement is successful to any extent, excellent possibilities are enjoyed by quite a few of the present dividend-paying junior mines. They still might have to wait seven years, but the revision of the dividend clause would be helpful.

Gold at $35 an ounce has materially helped Canadian mines in attaining the dividend-paying status and, although the further increase in the price of gold is not expected, lower operating costs may enable some mines to hope for inclusion in the list of legal investments for life insurance companies.

Expect 20 New Mills In B. C. in Current Year

From Our Own Correspondent

VANCOUVER. — Rising metal price have been responsible for a record number of new mill installations in British Columbia mines, and there are now 37 plants grinding ore in this province, with the expectation that 20 more will be added to the list during the present year.

Eight new mills went into operation last year, the more important being **Hedley, Mascot, Wesko, Bayonne, Sheep Creek** and **Ashloo.**

At several mines mills already installed have been inactive for some years due to price depression, but many of these are likely to be brought into working order during the next few weeks if the price trend in metals continues. A great many small "pocket-hunter" mills of around ten tons capacity have been in commission in the more isolated sections.

Several companies plan expansion of their mill capacity, including **Durango, Ore Hill, Clubine-Comstock, Salmo-Malartic. Big Missouri,** controlled by Smelters, is now installing a 500-ton underground mill.

LAKE ROWAN GOLD MINES LIMITED
Head Office - 1178 Phillips Place, Montreal, Que.

CAPITALIZATION

Authorized, No Par Value	3,000,000 shares
Issued for Properties and Cash (1,065,000 shares pooled)	1,955,007 shares
In Treasury	1,044,993 shares

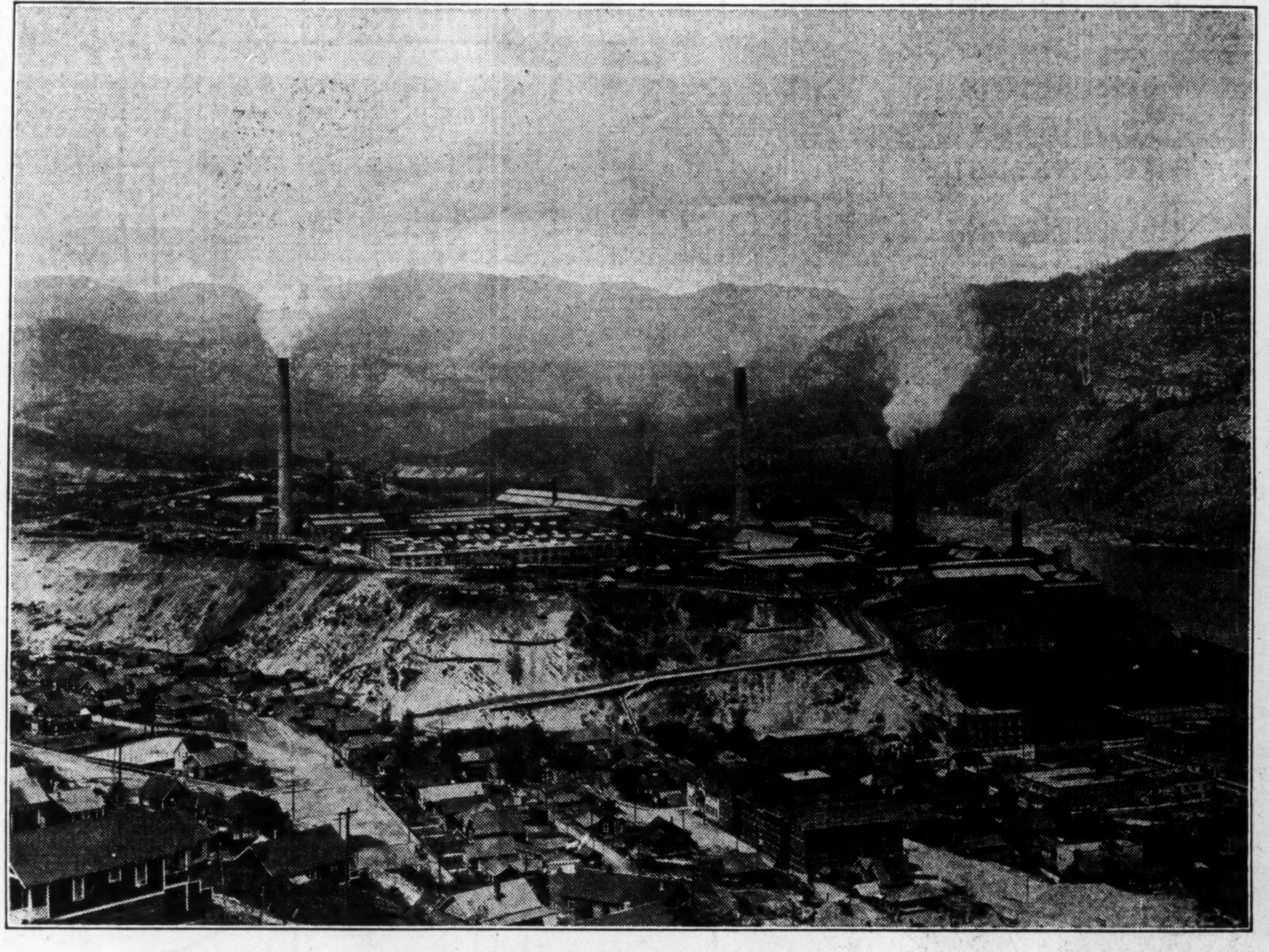
The property consists of 42 claims — 1,800 acres — at Golden Arm, Red Lake, Ontario. Adjoins Red Crest Gold Mines Limited. Under aggressive development. Treasury has 250,000 dollars on hand.

KIPPEN & COMPANY INC.
Investment Securities
204 Hospital Street, Montreal, Que.

TELEPHONE: BELAIR 2646

The
Consolidated Mining and Smelting Company
of Canada, Limited

Head Office: Montreal • General Office: Trail B.C.



Smelting and Refining Plants, Trail, B.C.

"Smelters" production keeps pace with expanding world consumption of its products.

Increasing exports to the United Kingdom, Europe and the Far East assist in maintaining Canada's favorable balance of trade.

1936 PRODUCTION

LEAD	182,541 tons
ZINC	125,694 tons
GOLD	69,330 oz.
FERTILIZERS	98,397 tons
SILVER	8,615,795 oz.
CADMIUM	526,000 lb.
BISMUTH	360,000 lb.

Gold Mining Profitable in
NOVA SCOTIA

Gold mining is staging a remarkable revival in Nova Scotia.

The productive gold districts now number nineteen and are situated on the Atlantic seaboard between Yarmouth and Canso.

This auriferous strata varies in width from ten to forty miles and covers approximately 3,000 square miles.

Most of the gold ores of the Province may be classed as free-milling.

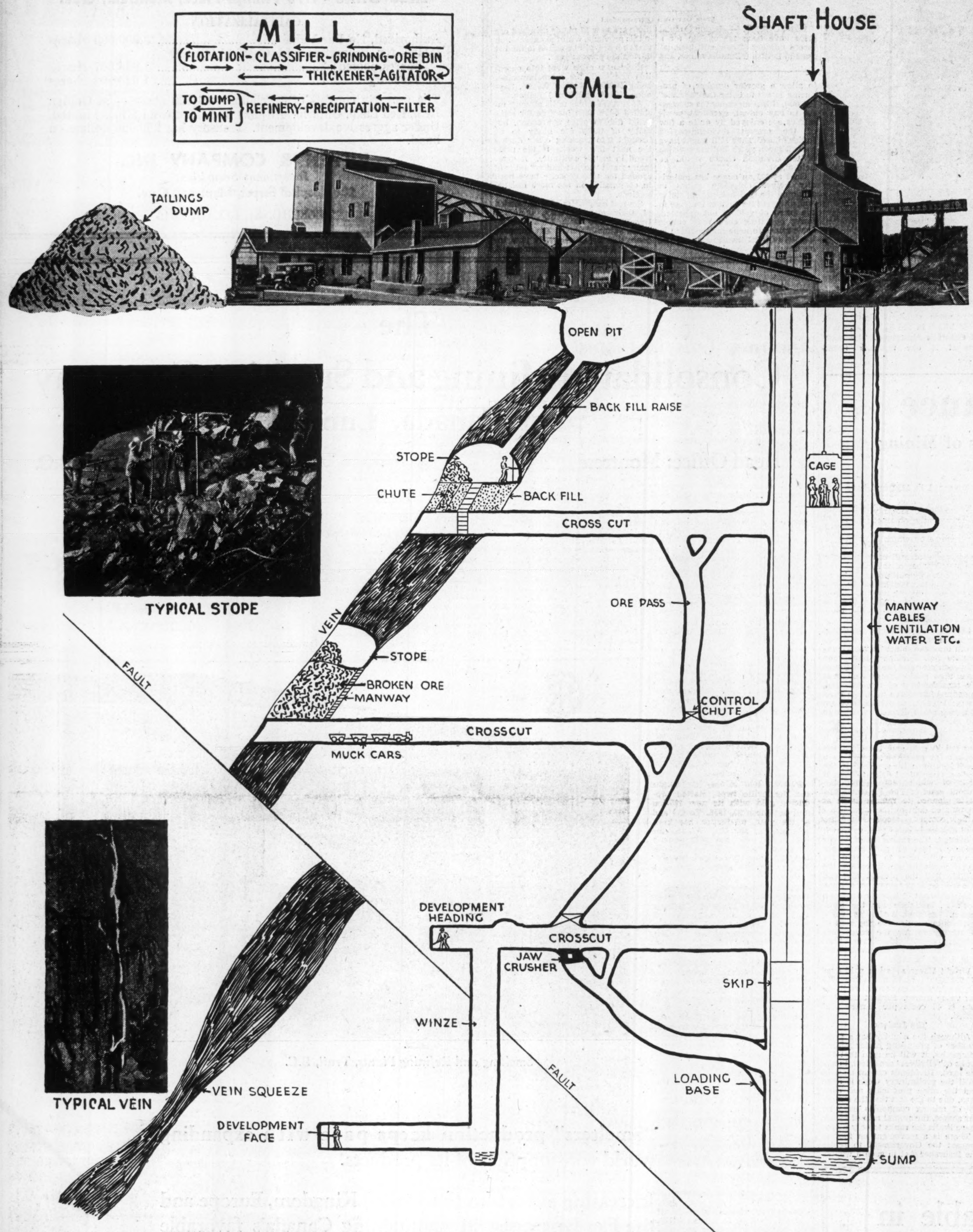
Favorable natural conditions include:

1—Shallow over-burden.
2—Adequate timber for support.
3—Abundant power available.
4—Native labour available and efficient.
5—Transportation facilities excellent.

For particulars write:

DEPARTMENT OF PUBLIC WORKS
AND MINES
HALIFAX NOVA SCOTIA
HON. MICHAEL DWYER,
Minister of Mines.

"Backstage" of a Mine



Of the hundreds of thousands of Canadians who daily buy and sell shares in mining companies, few have the opportunity of actually seeing for themselves what the operations, of which they are part owners, look like. Few have experienced the unique thrill of being whisked down into the earth; of scrambling, booted and helmeted, through the wet blackness of a crosscut; of feeling the rush of air as a round is blasted somewhere in the labyrinth; of hearing the strange deadness of human voices, the roar of drills and the myriad other sensations which are the miners' daily lot. All this cannot be adequately described on paper. A working knowledge of the elementary, physical technique of mining, however, is daily becoming more and more a necessity to many thousands. Accordingly The Financial Post presents above a simplified diagrammatic cross section of an elementary mining operation. The terms illustrated are by no means comprehensive, space and dimensional obstacles precluding many. For instance, a drift, which is driven along the vein, cannot be shown in the above. Much detail has purposely been eliminated, for the sake of clarity. When it is realized that at Hollinger, for example, the maze of underground workings cover some 215 miles, it will be seen how far removed the above illustration is from a cross section of a big producer.

Pickle Lake's Record ~

Two Dividend Payers and Several Likely Prospects in This Comparatively Young Field

Led by one of the most interesting new gold producers in the world — **Pickle Crow** — the Pickle Lake area of Patricia district has made important strides during the past year, both in the productive and development stages. Large increases in production of the two mill operators, Pickle Crow and Central Patricia shows the camp's 1936 total to be about 60% greater than for the previous year, the approximate totals for the two years being $1,650,000 and $2.8 millions and bringing the Pickle Lake area's total to date, since first gold came from the Central Pat 50-ton unit in June, 1934, to approximately $4,670,000.

Most important feature of recent months is the decision of **Pickle Crow** to install machinery capable of handling 400 tons daily. Installation is now proceeding and, within another month, tuning-up will commence. It is not expected to go higher than 250 tons daily at first but, when the underground is in shape to supply 400, the mill will be stepped-up to capacity. When this happens, Pickle Crow will be producing at a yearly rate in excess of $4 millions. Such a record from a vein 3 ft. wide is most remarkable and stamps this as yet baby producer as one of the highest grades on the globe.

Sinks Second Shaft

Central Patricia is operating its mill at an average rate of 185 tons daily with no immediate increase in sight. The present underground programme is concentrated between 500 and 1,000 ft. where a new block of ground is opening up and fulfilling promise. The company is sinking a second shaft at the east end of its property, four miles from the main workings and less than one mile from those of Pickle Crow. The No. 2 shaft is well below 300 ft. on its way to 550 ft. When this depth is reached four levels are to be opened up at 150, 275, 400 and 525 ft. On the first horizon, four shoots from 25 to 90 ft. long have already been developed to give a total length of 200 ft. of $82 ore which averages 14 inches in width.

The two Pickle Lake producers are both dividend payers, Central having issued $200,000 in 2 payments during 1936 and Pickle Crow $600,000 in four declarations, the most ever paid by one mine in one year in northwestern Ontario.

Excellent results are being secured by **Albany River Mines** which has completed a shaft to 375 ft. and is now working on three horizons. Details of results have not yet been announced, but they are known to be encouraging. The company has installed a complete assay plant and has a diamond drill programme lined up for underground, to precede the drifting.

Power for Winoga

Two more properties are likely to have underground programmes in hand before next winter. **Winoga Patricia** has already started a shaft down by hand to test underground conditions which showed $2 to $24.55 across 52 inches and $57 over 27 inches in one diamond drill hole. The company is planning to arrange for Hydro power from Rat Rapids, purchase an electric plant and ship it over winter roads this winter. **Kaw Crow Patricia** is the other possibility, although more diamond drilling will be necessary before an underground programme is considered. Financing to arrange for purchase of machinery and buildings is being arranged, as are some preliminary details.

Roeanor Gold Mines is carrying out diamond drilling on both its groups of claims which adjoin Central Pat on the south. Some sensational diamond drill results are being rechecked before their value is accepted. One hole gives 13 ounces across 5 feet. **Pickwick Syndicate** has been replaced with **Pickwick Gold Mines** which plans to carry out more diamond drilling to follow up four shallow holes carried out last summer. **Gateway Patricia** is drilling, although no important success has been reported as yet. The operation is well financed. **Crow River Mines** is preparing to start a drill operating to test underground conditions of a vein 150 ft. long with width of slightly better than two ft. **Dona Patricia** has suspended drilling owing to the lack of water but is likely to resume in the spring. **Coniagas Mines** has a fully owned property six miles north of Pickle Crow on which some drilling was done with inconclusive results. **Cohen-McArthur Syndicate** did some drilling last summer and is arranging work, owing to the encouragement of this campaign.

Other Prospects

In the Fort Hope area, east of Pickle Lake, **Fort Hope Consolidated Gold Mines**, where a 100 ft. shaft is down and a complete mining plant is installed, has been reopened with a crew at work under the direction of J. F. Fitzroy. Diamond drilling is contemplated. **Rich Lake Patricia Syndicate** has had some encouraging results from surface exploration and will do further work. **Brett Trethewey Mines** and **Northern Canada Mining Corp.** did some work during 1936 on a new find of last summer, and propose to carry out further exploration in the spring, then diamond drill.

Montague Gold Offers Rights to Stockholders

From Our Own Correspondent

MONTREAL. — Montague Gold Mines has offered shareholders of record February 17 the right to subscribe to 200,000 shares of treasury stock at 35 cents a share, in the ratio of one new share for each share held. Rights expire on February 27.

In the event of oversubscription a pro rata allotment will be made. The entire issue has been underwritten to net the company 35 cents a share, the underwriters having agreed to take up any part of the issue which is not subscribed for by the shareholders.

J. R. STRATTON L. W. HOPKINS H. A. HUTSON
Stratton, Hopkins & Hutson
MEMBERS:
THE TORONTO STOCK EXCHANGE
WINNIPEG GRAIN EXCHANGE
Inquiries invited on all Canadian Mining and Industrial Stocks
22 King Street W. WAverley 6090 Toronto

W. M. MACDONALD & CO.
MEMBERS
THE TORONTO STOCK EXCHANGE
350 BAY ST. WAverley 3011 TORONTO

A. E. OSLER & CO.
Established 1886
MEMBERS TORONTO STOCK EXCHANGE
MEMBERS CANADIAN COMMODITY EXCHANGE
11 JORDAN ST., TORONTO
Osler Building AD. 2431
Information readily supplied regarding Industrial and Mining Stocks
Orders promptly executed on all Exchanges

Canada's Mines are developed by the issue of Capital Stock. This Company's facilities for the production of Mining Certificates are unexcelled.
BRITISH AMERICAN BANK NOTE COMPANY LIMITED
HOWARD W. PILLOW
President
CHARLES G. COWAN
Vice Pres. & Man. Dir.
G. HAROLD BURLAND
Sec.-Treas.
HEAD OFFICE : OTTAWA
262 Wellington Street
511 Place d'Armes
MONTREAL
1110 Bank of Hamilton Bldg.
TORONTO

ELDORADO
Gold Mines Limited
The Empire's only producers of Radium and Uranium Salts.
Pioneer producers of Silver in Great Bear Lake.
HEAD OFFICE:
80 KING STREET WEST
TORONTO, ONT.

GUNNAR GOLD MINES
LIMITED
(No Personal Liability)
Authorized Capitalization 3,000,000 Shares $1.00 Par Value
Issued 2,654,131 Shares
DEVELOPMENTS
No. 1 shaft, 3 compartment to 1,000 feet with lateral exploration on eight levels at 125 feet intervals. No. 2 shaft, 2 compartment completed to a depth of 375 feet and connected by crosscut to main workings.
PRODUCTION TO DATE
May $31,122.89
June 38,975.86
July 41,725.28
August 45,272.88
September $54,943.88
October 51,342.45
November 56,726.00
December 58,455.80
OFFICERS AND DIRECTORS
G. A. LaBine, President
C. L. LaBine, Vice-President
Fraser D. Reid, M.E., Director
A. H. C. Beairsto
John A. Macaulay, K.C.
B. E. Kearns, Secy-Treas.
HEAD OFFICE: 80 KING ST. WEST, TORONTO, ONT.

N. W. Quebec Field Is Lustiest Youth In Mining Gold

Six Properties Start Production in Past 12 Months

Like most healthy youths, the mineral area of Quebec is spending most of its time growing. Quebec, although usually preceded by the adjective "old" is, minerally speaking, only in its youth. In this respect, it is today Canada's fastest growing province.

Just how young the northwestern Quebec mineral field is, will be realized when it is pointed out that 10 short years ago, mineral production from this area was exactly nil, to 10 decimal places.

Just how fast this area is growing is evident in the fact that last year, gold production from this field amounted to over $23 millions, an increase of 41% over 1935.

In northwestern Quebec there are now some 17 mills in operation. Last year at this time there were only about 11 active producers.

All this, of course, does not take into consideration the myriad developing and exploration companies active along the 100-mile belt from Dasserat and Montbray twps. adjoining the Ontario border, to Louvicourt and Pascalis twp. on the east. It has been estimated that there are in the neighborhood of 250 companies actively developing properties in this most interesting of mining fields.

Most active section of this area is the Cadillac twp. district, which is reviewed in detail elsewhere.

From west to east, and excluding Cadillac twp., the producers are as follows:

Producers Reviewed

Arntfield Gold Mines which went into production on its Beauchastel twp. property in July, 1935, is currently handling between 180 and 200 tons of ore per day. Production for the first full year of operations to Dec. 31, 1936, is unofficially estimated at $300,000. This company is a subsidiary of **Arntfield Mining Syndicate,** which is currently in the process of transferring its assets to **Pennaque Mining Corp.**

Belleterre Mines, a subsidiary of McIntyre Porcupine Mines, is a 1936 debutante. The property is in Guillet twp., in an area which, in sharp contrast to the name "Belleterre", is generally known by the uninspiring title, Mud Lake area. Although no official reports on production have been made public, the mill is understood to be treating about 100 tons daily. This is one of the six new Quebec producing gold mines.

Aldermac Copper Corp. groomed its Beauschastel twp. property for production late in 1936, and the mill is currently reported to be handling about 250 tons daily, with plans calling for a step up to 1,000 tons by summer. The company's production is chiefly copper and sulphur. This is a subsidiary of Towagmac Exploration Co. This company's prospects are improved by rising copper prices.

Noranda Mines

Noranda Mines, the large copper-gold producer in Rouyn twp., is mining about 5,500 tons of ore daily. The 1935 earnings per share of $2.63 are expected to show considerable increase when the 1936 report is issued in a few weeks, owing to higher copper prices. The company is deepening its No. 5 shaft to 4,000 ft., an objective which will soon be reached. In the meantime, ore reserves are known to be tremendous. Ability of this company to vary the character of the ore treated has enabled it to take advantage of changing metal prices. To the end of 1936, Noranda had paid some $28,222,037 in dividends.

Stadacona a 1936 "Deb."

Stadacona Rouyn Mines was another 1936 producer, the mill turning over for the first time, after 10 years delay, the middle of October. The first brick was poured in December. At last report, the mill was treating 20 tons of ore daily, with millheads running about $8 per ton in gold. Recently the downward extension of the ore body opened up at the west end of the 300-ft. level, was intersected at the 450-ft. level.

McWatters Gold Mines is meeting with varied success, milling rate being maintained at 100 tons of ore daily, together with some tailings. Production for 1936 is estimated at about $585,000, compared with $601,924 in 1935. The mill started operation on this Joannes twp. property in September, 1934.

Canadian Malartic Gold Mines, financed by the Lindsley interests, is currently milling about 375 tons per day, an increase of about 75 tons per day during the year. Work on additions to the mill, bringing the capacity to 700 tons per day, are being completed. The property is in Fourniere twp.

Siscoe Needs Encouragement

Siscoe Gold Mines, one of the veteran properties in the area, handles about 565 tons daily. Production for 1936 is estimated at $2,428,467, as against $2,274,583. At the end of 1935 fiscal year, ore reserves stood at 383,217 tons, although the erratic nature of the ore makes an estimate difficult. There appears to be little doubt that ore reserves were increased during 1936. Four new levels are giving encouraging results.

Shawkey Gold Mines, in Dubuisson twp., started production on Feb. 20, 1936, with a 125-ton mill. The company is at the present time treating around the same tonnage. Bullion production for January at about $47,000 represented the best month since milling started. Operating costs have been running around $30,000 monthly. The company recently obtained a loan of $150,000 to finance an exploration programme by which it is hoped to put enough ore in sight to justify an increase of mill capacity to 300 tons by October of this year.

Considerably north of the most active zone, **Randall Mines Corp.** in Landrienne twp., has been producing intermittently with a 50-ton mill. Production figures, however, are not available. This property is under development by Mines Development Corp.

Sullivan Consolidated Mines, Dubuisson twp., has increased its rate of production in 1936, and is now handling in the neighborhood of 125 tons daily. This property is responding favorably to development at the lower levels. Production for 1936 has been valued at $629,017, as compared with $470,097 in 1935.

Greene Stabell Reorganizes

Greene Stabell Mines is now undergoing reorganization, under the guidance of John E. Hammell, president. By this reorganization, details of which were given in a recent issue of The Financial Post, it is planned to remove large accumulated debt by the formation of a new company, **Jacola Gold Mines,** and the issuing of stock in the new company to creditors of the present Greene Stabell.

Lamaque Gold Mines, subsidiary of Teck Hughes, has given an excellent account of itself during the past 12 months. The mill is now handling well over 550 tons per day. Operations are now such that substantial amounts are being accumulated toward the liquidation of bonded indebtedness, which must be entirely paid off before a dividend can be declared. Estimated reserves of blocked out and broken ore had increased to 464,330 tons by Nov. 30, 1936, valued at $5,650,580, or about $12.16 per ton.

Perron Gold Mines, in Pascalis and Senneville twps., started producing gold with its new 125-ton mill on March 22, 1936. To the end of the year, production has been estimated at $500,000. Toward the end of the year the mill capacity was increased to 350 tons daily. Underground drilling and development work has given encouraging results.

Cutting back north and west, to Duparquet twp., **Beattie Gold Mines** produced an estimated $1,970,000 in 1936. Milling rate is about 1,500 tons per day on this low-grade, large tonnage operation, in which the Lindsley interests have a large stake.

This completes the list of producing mines in Quebec. Several more properties are being groomed for 1937 production. Stimulus has been added to development in this field by the construction, now under way, of a branch line of the C.N.R. from Rouyn, eastward through the heart of the district of Senneterre.

Last year the Quebec Government completed a motor road through the same field.

Mechanical Ant New Mining Aid

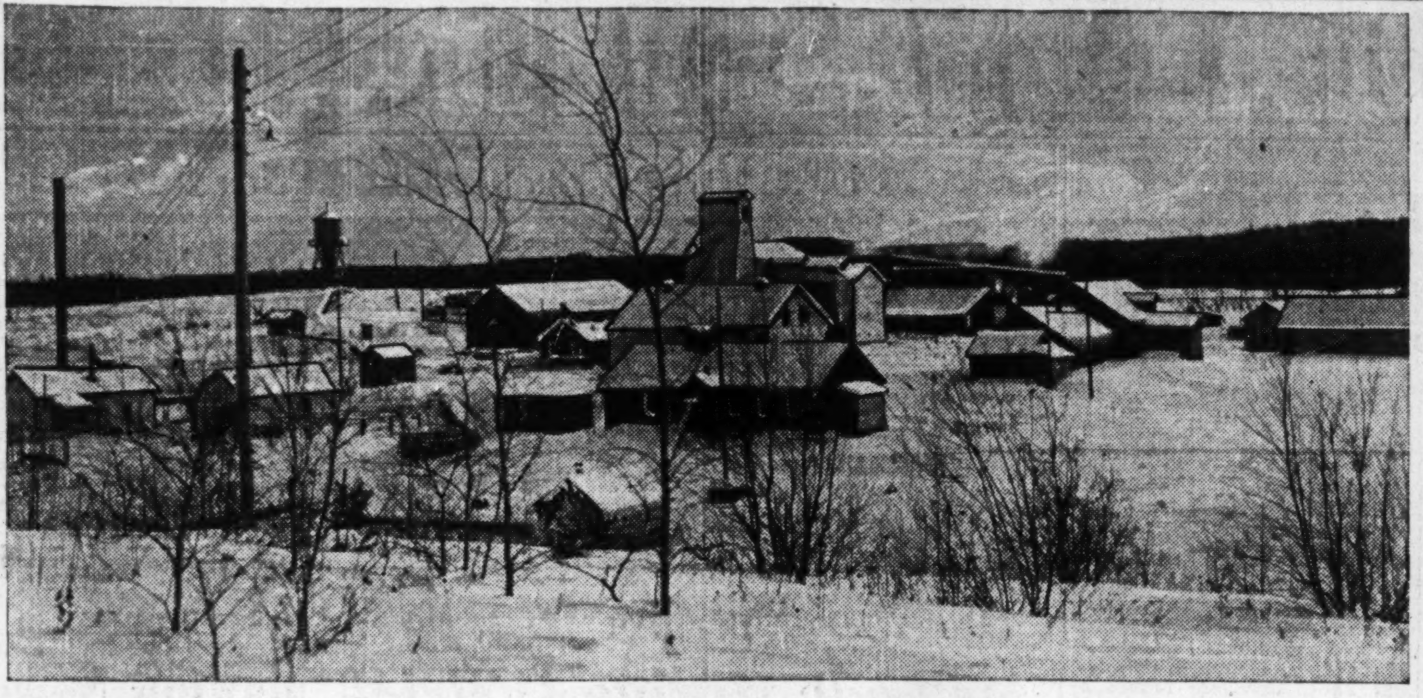
From Our Own Correspondent

NEW YORK. — A mechanical "ant," a round-bodied machine about 30 feet long and five in diameter, was described recently at a meeting of the American Institute of Mining and Metallurgy.

It enables man for the first time to drill deep into the earth on the insect principle.

The mechanical insect has a body and jaws. The body is a steel barrel about 15 feet long, housing a powerful electric motor. The jaws are another 15-ft. barrel, hollow, revolving under drive of the motor and fitted with teeth on the lower rim. The teeth drill both earth and rock. As they bore downward the empty barrel fills with the core they have cut out.

One lone man rides the "ant" as it digs. He sits at the motor controls, with a steel "umbrella," half an inch thick, above his head.



CENTRAL PATRICIA

Pioneer producer in the Crow River area of Ontario's Patricia district was Central Patricia Gold Mines, whose mill turned over for the first time on May 27, 1934. Since that time operations have been consistently expanded, and by the end of January, 1937, the property had produced over 64,000 ounces of gold. The mill shown above is now handling about 185 tons per day, monthly production running around $100,000. The above is a recent picture of this interesting operation. The property is thought to have interesting possibilities at depth.

Spooner Oils Is Listed On Toronto's Exchange

Spooner Oils Ltd. has been approved for listing on the Toronto Stock Exchange and was posted for trading Friday, February 19.

The listing covers 1 million 90 cent par value shares, representing the entire authorized capital. Formerly, authorized was 1,000,000 $1 par value shares, but the par value was reduced to 90 cents by payment of 10 cents per share as a return of capital on September 23, 1936. As of February 11, 722,265 shares were issued. For properties, the company issued 300,000 shares; 63,660 shares for Ellis Oil Co. Ltd. and 30,000 shares for Catherine Spooner, while 328,605 shares were sold for $454,095.

Spooner has petroleum rights on a total of 140 acres in Turner Valley, and a one third interest on 40 acres. In addition, surface rights are held on a further 75 acres in the Turner Valley field. The company has two standard drilling rigs and a new rotary outfit is scheduled for delivery by March 1.

To date five wells have been drilled. Of these, wells number one, two and four, together with petroleum and surface rights were sold to Royalite Oil Company in 1935 for 8,300 shares of the latter. The number three well was abandoned at 3,400-ft. depth, while the number five, known as the Spooner Aconda number five, was completed in 1935. To the end of December, 1936, this well had produced a total of 16,916 barrels of naphtha.

In 1932, a subsidiary known as the Bell Refining Co. was established, which was sold at a profitable figure in 1936. Spooner has just completed arrangements with Model Oil Limited and Reward Oils to drill on 40 acres in section 28, subdivision four.

In March, 1931, a six-cent dividend was paid, and a further three cents in January, 1933. As stated above 10 cents per share was paid September 23, 1936, as return on capital.

Golden Gate Vein Estimated at 400 Feet

Golden Gate Mining Co., Swastika district, Kirkland Lake, announces that the east drift on 304 vein has advanced 140 ft., bringing total indicated length of this vein over 400 ft. Diamond drilling from this horizon has indicated presence of another vein southeast of the 303 vein. Station for the new central shaft is being cut in preparation for the driving of the raise through the surface.

Arntfield Gold Mines Issues Additional Stock

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading an additional 27,000 shares of Arntfield Gold Mines. These shares, being the balance of the option, have been taken up at 70 cents a share. This brings the total number of listed outstanding shares to 2,937,920, in addition to which 62,080 shares remain in the treasury.

New Area Open At Thompson-Cad.

West End of Property May Increase Mine's Ore Position

From Our Own Correspondent

MONTREAL.—Important developments are taking place in the extreme west section of the Thompson-Cadillac mining property, according to a report released by Andrew Walz, vice-president and managing director.

The area of activity is known as the 111 and 106 West Drifts, and according to Mr. Walz, these workings evidently are on the same vein and are in process of being connected up. An ore length of 300 ft. is currently indicated.

"Bulk sampling in the 106 west drift averaged $19.95, and in the 111 assays has been running as high as $164.50 over a width of 6/10ths of a foot. In the combined headings a length of 120 feet has already been exposed in these drifts; the probabilities are that the intervening section of 120 feet will make ore with the west face open and averaging $21.70 over a width of 2½ ft.

Don Martic Reports Progress on Drilling

Don Martic Gold Mines reports from its Sturgeon River property that No. 3 drill hole is now down to 135 ft. The core, assay results from which are shortly expected, is said to look encouraging, and is thought to confirm the ore position established by the No. 1 hole, 100 ft. west on the line of strike. No. 1 hole cut 10 ft. of core averaging $7 per ton.

Start Lateral Work At Gurney Gold Mines

Gurney Gold Mines, according to President C. Gordon Smith, has completed shaft sinking and started drifting on the 500-ft. level of its northern Manitoba property.

Quebec Mines Up $8 Millions

From Our Own Correspondent

QUEBEC.—Substantial increases in the production of gold and silver, together with a boost in asbestos outputs, more than offset a 13 million pound decrease in the copper production for the province during the course of 1936, it was revealed in a statement made recently by Hon. Onesime Gagnon, Minister of Mines for the Province of Quebec.

Quebec's gold production for 1936 amounted to $23,320,425, as against slightly over $15 millions for the previous year, with actual production standing at 669,155 ounces for 1936, and 470,545 ounces for 1935.

Silver showed a boost of 61,171 ounces, with 1936 figures being 730,007 ounces, and those for 1935 revealing that 668,836 ounces had been produced during the preceding year.

Asbestos, another item on the right side of the ledger, was "up" 90,000 tons, with 1936 figures being 301,127 tons, and those for 1935 being 210,467 tons.

The copper output for last year was 66,000,000 pounds, while for 1935 the output was 79,000,000 pounds.

Clay products, one of the minor mining activities, were also increased during the year just ended, the 1936 output being valued at $731,499, as compared with $591,642 for 1935.

OSWALD & DRINKWATER

●

Members
Montreal Stock Exchange
Montreal Curb Market
Toronto Stock Exchange
Canadian Commodity Exchange Inc.
Canadian Commodity Clearing Association Inc.

MINING SERVICE

Direct Private Wire to Toronto

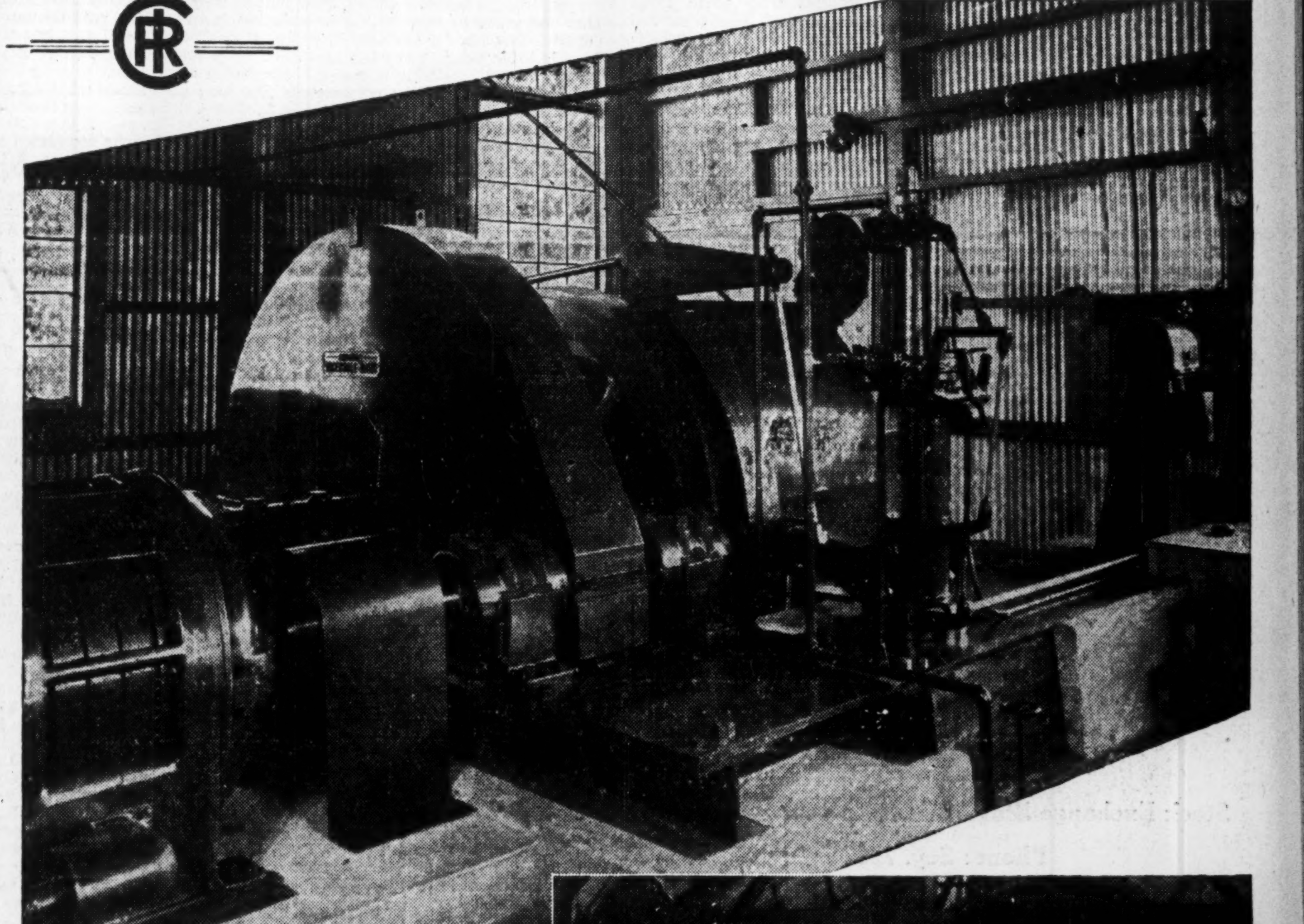
Telephone
HArbour 6101*

INSURANCE EXCHANGE BUILDING
MONTREAL

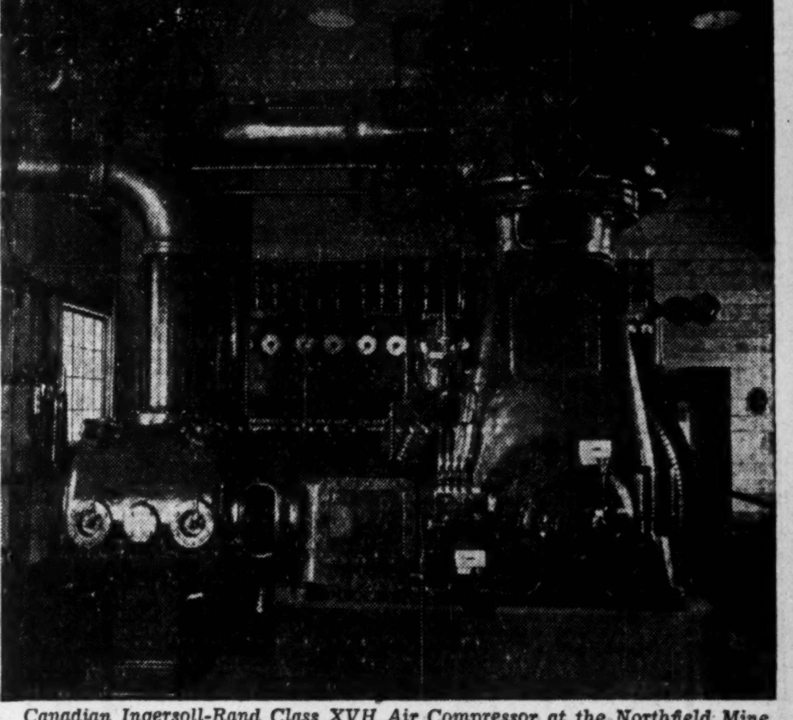
JOLIETTE ORBIT
JOLIETTE STEEL
JOLIETTE TISCO

MINING CASTINGS
of every description

Head Office and Plant
MONTREAL JOLIETTE, QUE. TORONTO



Canadian Ingersoll-Rand Escapement hoist at the Northfield Mine of Canadian Collieries (Dunsmuir) Limited, Nanaimo, B.C.



Canadian Ingersoll-Rand Class XVH Air Compressor at the Northfield Mine of Canadian Collieries (Dunsmuir) Limited, Nanaimo, B.C.

Mainstays of Canada's Mines

WHEREVER mining is carried on, dependability of the air compressor and the shaft hoist are of utmost importance. Failure of either usually results in shutting down the mine.

The dependability of Canadian Ingersoll-Rand Air Compressors and Mine Hoists is recognized in mines and collieries throughout Canada . . . *they are* partners in trouble-free production.

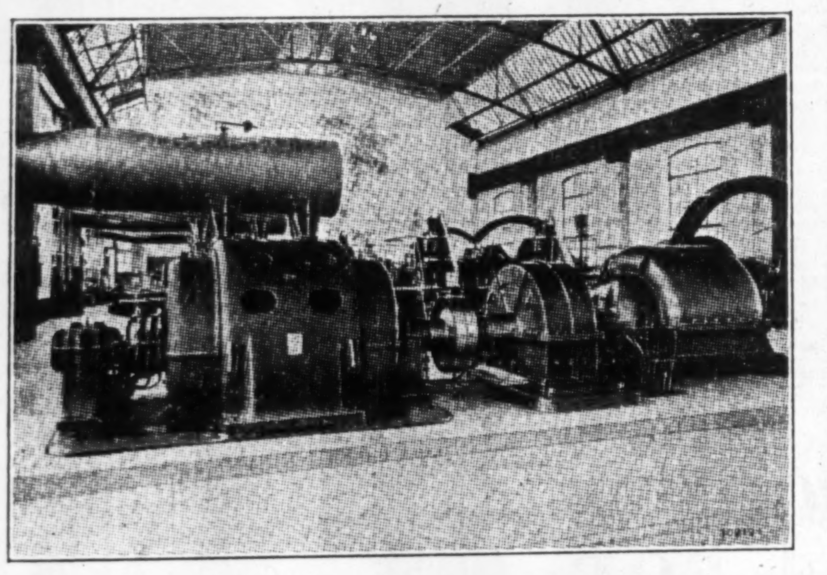
This factor, plus operating economy, backed by the skill, manufacturing facilities and Dominion-wide field organization of Canada's oldest mining machinery manufacturer, make Canadian Ingersoll-Rand equipment your logical choice.

37-K-2b

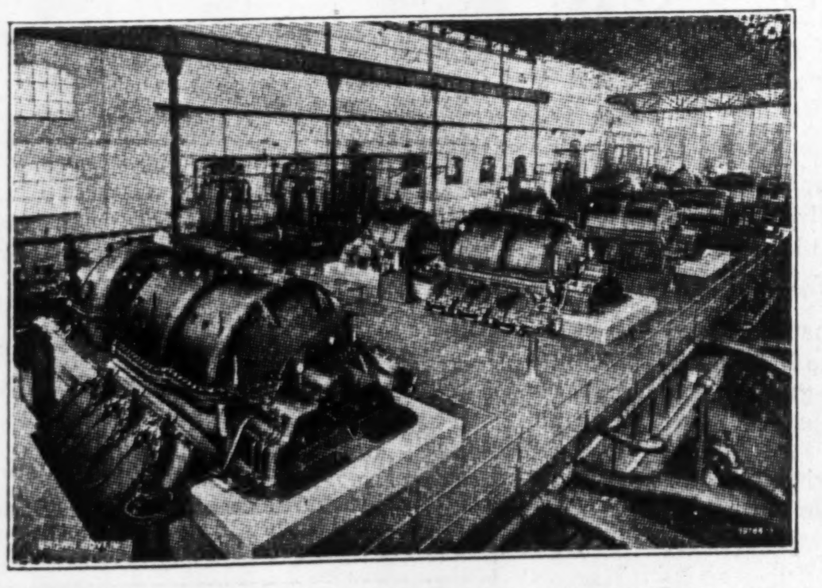
Canadian Ingersoll-Rand Co. Limited
head office - MONTREAL QUE. — *works* - SHERBROOKE QUE.
branches at SYDNEY-SHERBROOKE-MONTREAL-TORONTO-KIRKLAND LAKE-TIMMINS-WINNIPEG-NELSON-VANCOUVER
Mining Machinery Manufacturers in Canada for over half a century

In addition to a complete line of Air Compressors and Hoists, Canadian Ingersoll-Rand also manufactures Rock Drills and Accessories, Vacuum Pumps, Pneumatic Tools, Centrifugal and Direct-Acting Pumps, Crushers and many other lines of machinery for mine, mill and smelter.

BROWN-BOVERI
Turbo-Blowers and Compressors



Synchronous motor driven Converter Blower as used by International Nickel Co. of Canada Limited Noranda Mines Limited Falconbridge Nickel Mines Ltd.



Three Turbo-Compressors at Powell Duffryn Steam Coal Co. Ltd., Bargoed (S. Wales). The largest single-cylinder Turbo-Compressors in the world, each for 40,000 cu. ft. per minute: 100 lbs. per sq. ft. abs., 2950 R.P.M.; 7200 H.P.

Similar type Compressor in use at plant of Dominion Steel and Coal Corp.

Canadian installations include the following: BLOWERS FOR FLOTATION CELLS — COPPER AND NICKEL CONVERTERS — BLAST FURNACE BLOWERS AND TURBO-COMPRESSORS. Consult us regarding any problem involving the use of air under pressure.

SWISS ELECTRIC CO. of CANADA LIMITED
Sole Distributors Products Brown-Boveri and Company, Limited
1111 Beaver Hall Hill --- MONTREAL
"Highest obtainable efficiency. Complete freedom from oil in the Air Lines"

British Columbia Camps Swell Canada's Gold Production

Bridge River Romance

Camp Comes Long Way Since Discovery of "Brass" by Tramps

From Our Own Correspondent

VANCOUVER.—Bridge River, virtually an unknown field 10 years ago, maintained its record last year as the biggest producer of gold in British Columbia, with a production valued at close to $6 millions, of which the big Pioneer and Bralorne mines contributed nearly $5 millions.

So far as Bralorne and Pioneer are concerned, the year was marked by a spectacular comeback of **Bralorne** after a period during which dividend payments were suspended, a gradual decline in Pioneer production due to deep-level development and indications at the year-end that Pioneer would recover in the same manner as its neighbor.

The policy of the **Pioneer** directors is to keep monthly production down to around $170,000, while the low-level development programme is carried out. This will probably result in reduction of the dividend rate temporarily until the lower ground, amounting virtually to a new mine, is thoroughly broken in. Prospects at both Pioneer and Bralorne continue to be decidedly favorable.

ALL IS NOT GOLD — that glitters in the north. Take, for instance, the good looking Ojibway girl shown above, snapped by The Post, smoking a cigarette in front of the trading post at Pickle Lake. The name? Just Edith Skunk.

Developing Other Properties

Several other Bridge River properties made good headway during the past year, even though the field is likely to be dominated for some time to come by the two big producers on Cadwallader Creek. Most of the smaller mines have experienced ups and downs. Several have encountered complex ores which defy economical treatment, although it hoped to master this problem in time. An active market for mining shares during the past year has made funds available for most of the properties, although some have found it necessary to resort to bank loans and various other forms of financing.

While continuing a development programme the **Wayside** mill will be used as a customs plant for neighboring mines. **Minto** is sinking a three-compartment shaft and operating its mill steadily. **BRX** continues its development in several directions and is counting on pushing through on the California vein to the Gloria Kitty which showed rich surface ore. **Congress** has taken over the **Meridian** mill and hopes to develop into a large tonnage proposition, which may also be the destiny of BRX. The BRX mine is now being financed by French capital, and a recent report indicates that the ore showings are similar in formation to those at Bralorne. Particularly promising have been the ore showings at **Pacific Eastern**, a strongly financed operation close to Pioneer, and it is expected that this may eventually become one of the field's major producers.

"Big Piece of Brass"

The Bridge River district was known to old-time prospectors half a century ago, but it was the scene of only sporadic development until about eight years ago. The first important find was made by a couple of roustabouts from Lillooet who while acting as helpers for a prospector doing assessment work, stumbled on what they described as "a big piece of brass." This turned out to be the outcropping of the Ida May vein, now one of the chief sources of gold for Bralorne mine. The claims were staked and sold to many holders before they finally fell into the hands of men sufficiently courageous and wealthy enough to give the necessary development to a field that has produced more than $20 millions in gold.

Pioneer's Start

The **Pioneer** ground was named in honor of a Lillooet hotel, whose owner had staked an itinerant prospector. The first development syndicate for the Pioneer was organized in 1911. Mining Corp. of Canada was briefly interested in Pioneer, but was glad to sell out to Vancouver men. This was when A. H. Wallbridge, Brig.-General J. Duff Stuart, Dr. R. B. Boucher, Dr. F. J. Nicholson and Dr. A. R. Thompson entered the picture.

They brought with them Dave Sloan, who almost single-handed brought Pioneer into production. Sloan acquired a 50% interest and sold half of his interest to J. I. Babe, who subsequently sold out to Col. Victor Spencer, present president of the company. Even Sloan almost abandoned Pioneer at one stage, but almost at the moment of quitting the mine for lack of funds rich gold was struck that provided Pioneer with its long paystreak.

Sloan, whose name will be forever linked with Bridge River development, was killed in an airplane accident two years ago with Dean R. W. Brock, of the University of British Columbia, another man whose career was closely linked with B. C. mining and who is now credited with giving the needed encouragement for development of the Sheep Creek area, one of B. C.'s mining fields just beginning to come into production on a large scale.

Bralorne's Hectic Start

Bralorne, although its original claims were staked before Pioneer's, did not come into the spotlight until later. In the boom year 1928 the Lorne claims were being developed by Stobie, Forlong, but soon after the stock crash Stobie, Forlong passed out of the picture. Not until 1931 was Bralco Syndicate formed by Major Austin Taylor, George Kidd, W. W. Boultbee, Neil McQueen and others of Vancouver. At a time when mining throughout Canada was suffering depression, when funds were scarce and real courage was required to put money into the ground, this syndicate went ahead and was richly rewarded.

Today, Bridge River is a prosperous, well-organized community of more than 3,000 persons, and the 30-mile road that leads up Mission Mountain from the P.G.E. passes a long succession of growing mining properties.

Pioneer is the biggest gold mine active in British Columbia today and the deepest by a considerable margin. Its deep development campaign was begun in 1935 and actively prosecuted this year. At present the J vein, cut on the 18th level in shaft sinking, is being explored on the 23rd level and is expected to be open in another 100 or 150 ft. of crosscutting on the 26th level. The J vein so far is a fissure paralleling the Pioneer vein, although not as rich or strong as the latter. However, it is hoped that a large volume of commercial grade may be obtained and its discovery is regarded as of major importance.

Production at Bralorne has shown an almost unbroken succession of rising monthly values. In August the mine went over the $200,000 mark and December showed a monthly value of $222,250. The total for the year was $2,283,015, from 167,264 tons, showing heads averaging $15.033 per ton.

Bralorne's New Find

Apparent discovery of a new vein has enhanced the prospects at Bralorne within the last few weeks. The strike was made in crosscutting east to open a chamber for the new shaft which is to be sunk in the Ida May or Empire area. Drifting was started at once, and while the vein was narrow at first it gradually widened to between four and five feet, when it split, with the footwall strand showing a width of 12 inches of high grade with free gold apparent and hanging-wall strand of unknown width, wider than the drift. The vein was opened on the 8th level and is being opened approximately 1,000 ft. below the surface.

The discovery will add substantially to Bralorne's reserves of good grade milling ore if its vertical range, with no more than its present known length, should measure up to the Blackbird or Ida May. Geology of Bralorne and Pioneer is similar, indicating that Bralorne may have below its lowest level at least 2,200 ft. of depth in which it may reasonably expect to find ore. On Bralorne's King vein diamond drilling is testing the ground below the 14th or lowest level.

Up-to-date Store For Mine Town

Smelters Operates Modern Department Building at Mark Creek

From Our Own Correspondent

KIMBERLEY.—Extensive additions and alterations have been made to the grocery section of the Mark Creek store operated by the Consolidated Mining and Smelting Company of Canada Ltd. here, and which is regarded as one of the finest department stores in the East Kootenay area.

With a floor space of 60 by 45 ft., this store gives ample facilities for its new department. It has spacious aisles for freedom and comfort in shopping, good lighting, an up-to-date heating system which eliminates radiators thus leaving all the wall space for shelving.

The interior has an attractive appearance, with an ivory and green color scheme, and heavy inlaid linoleum covering the floor. White raised-letter signs provide convenient classification facilities throughout the store, these signs running around the entire room and standing out against the green border. There is a sprinkler system in the fruit department and eight sloping fruit trucks which are removed to the cooler when the store is closed.

One of the main features of the department, its "Tuway System" which was installed five years ago.

B.C.'s Mine Production 1935-'36

Product		Quantity 1935	Quantity 1936*	Value 1935	Value 1936*	1936 Value* Increase + Decrease —
Gold, placer	oz.	30,929	35,000	$ 895,058	$ 1,007,980	+$ 112,922
Gold, lode	oz.	365,244	410,000	12,852,936	14,358,200	+ 1,505,264
Silver	oz.	9,251,544	9,300,000	5,994,075	4,197,648	— 1,796,427
Copper	lb.	38,791,127	20,300,000	3,023,768	1,914,290	— 1,109,478
Lead	lb.	344,268,444	353,000,000	10,785,930	13,752,880	+ 2,966,950
Zinc	lb.	256,239,446	250,500,000	7,940,860	8,226,420	+ 285,560
Coal (2,240 lb.)	tons	1,187,968	1,335,000	5,048,864	5,673,750	+ 624,886
Structural materials		......	......	1,238,717	1,900,000	+ 661,283
Misc. metals, minerals and materials		......	......	1,041,031	1,400,000	+ 358,969
TOTALS		......	......	$48,821,239	$52,431,168	+$3,609,929

*Estimated.

Cariboo Proves Itself As Lode Mining District

Veteran Field Has Grown From Pick and Shovel to Big Business

From Our Own Correspondent

VANCOUVER.—Back in the early 'fifties, after "Dutch Bill" Dietz had stumbled upon gold in the Cariboo hills and given his name to Williams Creek, the historic placer bed that yielded millions in gold and started the first stampede to British Columbia, mining in those parts was a pick and shovel affair. And for nearly 80 years it continued to be that, with a few variations, such as hydraulicking and drifting and the use of the somewhat primitive cradles of the old-time placer men.

But today Cariboo mining is largely a big business operation. The little fellows are still there, combing the rich creeks that made fortunes in other days and still yield pay dirt to the persistent, but most of the money that comes out of the Cariboo in the form of bullion comes from the big, well organized camps, notably **Cariboo Gold Quartz** and **Island Mountain**, a subsidiary of **Newmont Corporation** of New York.

"One of These Days"

Only 15 years ago, when the writer first visited Barkerville, famous old capital of the Cariboo gold country, the hard rock man was a rarity. Fred Tregillus, one of the few men who in the early days held the notion that Cariboo would eventually produce lode gold in paying volume, was hardly taken seriously by mining folk.

"One of these days they'll be tunnelling these mountains and running crosscuts and taking gold ore out of the stopes," said Tregillus, who never lost faith and who has lived to see his dream come true.

The man who made what seemed a fantasy a dollars-and-cents reality is Fred M. Wells, and it is a coincidence that Wells, who converted the Cariboo into a lode field, and the late David Sloan, who played the major rôle in developing the hard-rock gold mines of the Bridge River country, both graduated from Surf Inlet mines.

Old-timers who knew nothing of hard-rock methods and scoffed at the idea of the Cariboo being anything but a placer field, laughed openly when Wells proceeded to tunnel through Cow Mountain. The result of Wells's operations is an oft-told tale. Recoveries led to the organization of **Cariboo Gold Quartz Mining Co.**, which is now regarded as one of the soundest concerns of its kind operating in British Columbia, with a total production since it started operation of more than $2 millions. Production for the whole of 1936 was $631,855 compared with $615,275 in 1935, and the increase would have been greater had it not been for a fire which caused the loss of 12 weeks operating time. The company has so far paid six dividends.

Island Mountain soon followed Cariboo Quartz in development on adjacent property, and its record has been similarly impressive. First development at Island Mountain below the main level points to improvement in grade of ore with increased depth. Both Cariboo Gold Quartz and Island Mountain have encountered richer ore at depth, a fact which has greatly stimulated interest in the possibilities there.

Island Mountain

Island Mountain, last year sank a three-compartment shaft to a depth of 500 ft., cutting stations at 150-ft. intervals. The first two levels are now being opened up. Unofficial information is to the effect that on the first level off the shaft the crosscut has opened a quartz vein and that about 60 ft. of drifting has revealed a three-foot ore body averaging about 0.60 oz. of gold. In the level above the same area produced gold averaging about 0.45 oz. of gold.

Consolidated Alluvials

Notwithstanding the diversion of interest to lode operations, the Cariboo has by no means seen the last of its placer days. One of the most interesting mining experiments in all British Columbia is now being carried out on Lightning Creek, about 30 miles west of Barkerville near Wingdam. This property had many financial ups and downs until British capital became interested to the extent of organizing a company known as **Consolidated Gold Alluvials, Ltd.**

The British interests behind Consolidated Gold Alluvials battled "Cariboo slum" with methods that had proved successful in defeating the obstinacy of "Australian slime." Since work started a couple of years ago some $800,000 has been spent on development.

So far, the programme has been little more than a drainage project. The technique has been to develop a gutter below the ground to be mined and then provide by means of drilling and other methods adequate facilities for thoroughly draining off the moisture from that area. At the end of last year the major part of the drainage job had been completed. The mining programme was about to start.

Because of its comparatively easy access and the fact that placer mining can be made a poor man's occupation, the Cariboo has always appealed to prospectors and miners of limited capital, and it will probably continue so for some time. Every spring sees hundreds of miners moving up the historic Cariboo Highway to the diggings just as in British Columbia's earliest mining days, although the Pacific Great Eastern Railway and automobile have replaced the pack-trail, horse team and Fraser River raft.

Cariboo Hudson

Almost every week develops news of a new enterprise entering the Cariboo. Fred Wells, still looking for mines, is the man behind **Cariboo Hudson**, which promises to be a property of considerable importance. The Newmont Corporation, controlling Island Mountain, has just announced that it has taken an option on the Rand group of claims owned by James Wendle and associates. This property adjoins Cariboo Hudson.

M. D. McLean, contractor at the **Cariboo Yankee Belle** property, near Keithley, advises that he has started two shifts on the job. The Yankee Belle contract is for one thousand feet of underground work, consisting of extending the crosscut 750 ft. and 250 ft. of drifting on the ore.

It is reported that during the winter an important strike was made on the lang property, adjoining the Reinholt group on Yank's Peak. The strike is said to have been a vein 11 ft wide and heavy with sulphides.

Another interesting report which comes from Cariboo is that two engineers, from the O'Brien Mines, Ltd., Ontario corporation, are in the district and have examined the development work at Cariboo Hudson.

East Malartic Extends Crosscut by 83 Feet

East Malartic Mines, Fourniere twp., Malartic mining area, extended in No. 1 shaft the 178 vein by 57 ft. of raising in average grade ore, a progress report for February 1-15 announces. Crosscut No. 325 south was advanced 83 ft., and will be extended approximately 500 ft. Boundary diamond drilling between East Malartic and Sladen Malartic intersected many vein sections which appear to be the eastern extension of the Sladen veins.

Hedley Camp Making News

Hedley Mascot May Be 1937 Dividend Payer

From Our Own Correspondent

VANCOUVER.—Possibly the most interesting gold development in British Columbia during the past year has been the growing prominence of the Hedley mining camp. Known for many years as an important area, only within the last 12 months has it stepped into the spotlight, largely as a result of the reopening of the rich **Nickel Plate** mine, a privately held property owned chiefly in the United States, and the excellent recoveries at **Hedley Mascot.**

More recently a whole new crop of Hedley properties has sprouted, and many promising mines are booked for early development. Hedley Mascot, currently quoted at close to $2, will probably be on a dividend basis soon and before long will probably be regarded as one of British Columbia's senior gold stocks, along with such steady producers as Pioneer, Bralorne Premier and the two Cariboo mines, Cariboo Gold Quartz and Island Mountain.

Shipment of the first carload of concentrates from **Gold Mountain** mines, after a mill run of less than a month, has renewed the interest in the Hedley camp. Gold Mountain is the third producing mine in the Hedley district. Pioneer producer is Nickel Plate, whose production records are not made public.

Many Active

Adjoining Nickel Plate is the **Hedley Mascot**, now producing close to $100,000 a month. Just across the gulch, on another mountain, is the **Hedley Amalgamated**, which has recently completed a strong financial set-up and has been one of the most active stocks in coast exchanges.

Adjoining this property is **Hedley Chief**, and next to that is **Hedley Consolidated. The Golden Zone**, 11 miles up Twenty-Mile Creek, is also under development.

Announcement is expected shortly concerning plans for development of the **Hedley King**, recently acquired by Vancouver interests from R. R. Hedley, pioneer mining engineer, and Peter Scott, of Victoria.

Hedley Stirling, Golden Eagle and other properties near by are expected to come into operation during the year.

Announcement is also expected soon regarding plans of **Canty Mines, Hedley Dome Gold** and **Hedley** Shamrock. The claims which comprise these groups all belonged to Larry Canty, the prospector who is given credit for resurrecting the fame of the Hedley camp. His Shamrock property includes the famous **Apex group.**

Canty was entrusted by the late Duncan Wood with the handling of the now impotrant Mascot property which Wood had stubbornly refused to sell to the Nickel Plate interests. After Wood had held the Mascot Fraction, in the heart of the Nickel Plate holdings, for 40 years, Canty finally made a deal for the property.

Canty's faith in the camp never weakened and his triumph came when he finally managed to interest Vancouver capital in the Mascot.

Hedley Mascot's outstanding note issue of $330,000 will be called April 15 at $101. Bondholders are entitled to exchange each $100 bond for 100 shares common stock at that time, or to redeem their holdings for cash.

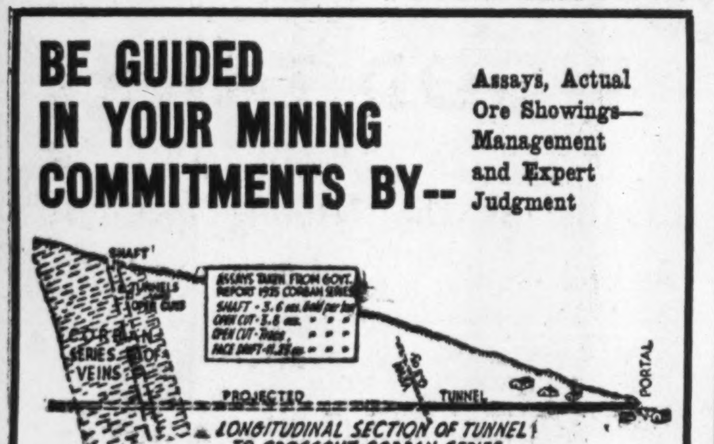
R. Gelletly & Co. Ltd.
Stock and Bond Brokers
655 PENDER ST. WEST VANCOUVER, B.C.
Members Vancouver Stock Exchange
Members British Columbia Bond Dealers Association
Phones: Seymour 2253, 2254 and 2255
R. Gelletly H. M. Smith D. C. Ritchie

British Columbia's Pioneer
STOCK & BOND HOUSE
●
Members
Vancouver Stock Exchange
B.C. Chamber of Mines
Agents and correspondents throughout Canada and the United States — Wire connections to all leading markets of Canada and the United States.
●
C. M. OLIVER & CO. LIMITED
Established 1907
640 Hastings St. W., Vancouver, B.C.
723 Fort St., Victoria, B.C.

VIDETTE GOLD MINES LIMITED
(No Personal Liability)
Incorporated under the laws of the Province of British Columbia
Capital: 1,000,000 Shares without Nominal or Par Value
Issued and Subscribed: - - - - 845,281 Shares
OFFICERS AND DIRECTORS:
CHAS. E. SMYTH .... President
DOUGLAS B. STERRETT .... Vice-President
G. FRED H. LONG .... Secretary-Treasurer
NELSON SPENCER .... Director
RUPERT V. D. GUTHRIE .... Director
JOHN B. HARSTONE .... Director
THOMAS H. KIRK .... Director
ROBERT H. KER .... Director
RALPH C. SMYTH .... Director
Auditors:
W. G. ROWE, Vancouver, B.C.
Transfer Agents and Registrar:
THE LONDON & WESTERN TRUSTS CO. LTD., Vancouver, B.C.
Head Office:
404 Pacific Building, 744 Hastings St. W., Vancouver, B.C.
Mine Office: Savona, B.C.

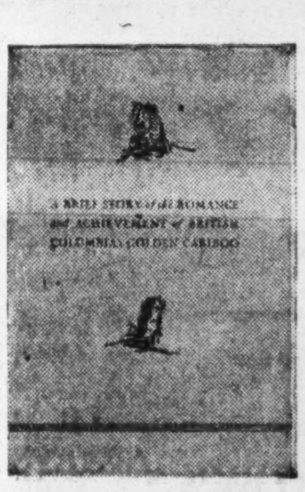
VANCOUVER, B.C.
COMPREHENSIVE
BROKERAGE and INVESTMENT
SERVICE
●
A. E. JUKES & CO. LTD.
810 West Hastings Street, Vancouver
MEMBERS
Vancouver Stock Exchange B.C. Bond Dealers' Ass'n
Canadian Commodity Exchange Inc., Montreal
TRINITY 2545

MILLER COURT & MANLEY
LIMITED
SPECIALISTS IN WESTERN MINES AND OILS
Member Vancouver Stock Exchange
●
Stock Exchange Bldg. Vancouver, B.C.
Phone: Sey. 7201



BE GUIDED IN YOUR MINING COMMITMENTS BY--
Assays, Actual Ore Showings— Management and Expert Judgment
LONGITUDINAL SECTION OF TUNNEL TO CROSSCUT CORBAN SERIES
Work is now proceeding by contract on No. 4 tunnel to cross-cut four veins of the Corban series.
Government engineers' assays from upper levels and surface: Gold 3.6 oz. per ton; gold trace; gold 3.8 oz. per ton; gold II, 23 oz. per ton. This tunnel has already cut one blind vein at 685 feet from the portal assaying gold $17.50 per ton.
The work now being done is as recommended by W. R. C. Beadon, M.I.M.M., F.G.S., of London, England.
The high values mentioned above are of course not represented as average, but are quoted BECAUSE it is a significant fact that Bralorne, Pioneer, Island Mountain, Cariboo Gold Quartz and Reno all had high values on the surface and upper levels. Today they are paying dividends.
With preliminary mining hazards eliminated, CARIBOO YANKEE BELLE MINING COMPANY LTD., stands today in exactly the same stage of development as did CARIBOO GOLD QUARTZ and ISLAND MOUNTAIN not very long ago.
AN ACTIVE OPERATION
Limited Offering at 15¢ Per Share From Your Broker, or
CARIBOO YANKEE BELLE
MINING CO. LTD. (N.P.L.)
425 Standard Bank Building, Vancouver, B.C. Seymour 3513

Reno
Gold Mines
Limited
(Non-Personal Liability)
CAPITALIZATION:
Authorized: 2,000,000 Shares of $1 Par Value.
Outstanding: 1,880,000
PROPERTY:
OWNING and OPERATING RENO MOTHERLODE and NUGGET GOLD MINES at Salmo, B.C.
HEAD OFFICE:
Yorkshire Building 525 Seymour Street
Vancouver, B.C.
TRANSFER AGENTS:
Prudential Trust Co., Vancouver and Toronto


A BRIEF STORY of the ROMANCE and ACHIEVEMENT of BRITISH COLUMBIA'S GOLDEN CARIBOO

THIS BOOK IS YOURS FOR THE ASKING
It thoroughly explains in simple, readable language, and with maps, the value and potentialities of CARIBOO LEDGE.
It tells
of mad dramatic days
of the rush to the Cariboo
of whites, negroes and Chinamen
of forty thousand gold-crazed men
of gallant striving pioneers
of great fortunes won in '58
of today's tremendous opportunities.
"A BRIEF STORY OF THE ROMANCE AND ACHIEVEMENT OF BRITISH COLUMBIA'S GOLDEN CARIBOO"
Clip and Mail
Please send me:
"A Brief Story of the Romance and Achievement of British Columbia's Golden Cariboo."
MacGregor, Twaites & Gray, Ltd.
MINE FINANCING STOCKS BONDS
Telephone: Trinity 2474
515 Royal Bank Bldg., Vancouver

B. C. Base Metals Present Bright Picture

Base Metal Group In British Columbia Expects Big Things

Present Background Suggests Best Year Since Peak in 1929 — Companies Surveyed Briefly

From Our Own Correspondent

VANCOUVER.—The biggest development in British Columbia's mining situation during the past year was recovery of base metal prices. If the present trend upward continues, the value of the 1937 production of minerals will be within comparatively easy striking distance of the peak years from 1925 to 1929.

Production of base metals will certainly show a striking increase this year, because higher prices are a tremendous stimulant now. New properties are being brought into production, mines formerly operated but shut down during the slump are being reconditioned, and existing plants are stepping up their capacity.

Expansion at the **Britannia Mining, Smelting & Power Co.'s** big plant on Howe Sound will be an important factor in higher copper output this year, and the decision of **Granby** to reopen its Allenby properties and Copper Mountain will also have a considerable bearing on the situation. Rumors are afloat that Consolidated Mining & Smelting Co. may be persuaded to recommission the partly dismantled Anyox plant abandoned by Granby two years ago and establish a smelter there for northern and coast mines.

Lead Output May Set Record

Lead production this year will probably set an all-time high in value if the price structure is not upset. It is estimated its value may be greater than that of any other metal in the history of B. C. mining for any one year. Zinc will also show a big gain.

Chiefly responsible for whatever happens to lead and zinc production will, of course, be **Consolidated Mining & Smelting Co.**, which accounts for approximately 90% of Canada's production of these two metals. Smelters is throwing its full power behind the production of these base metals, and under the impetus of rising prices is certain to make an impressive showing this year.

Strictly from a B. C. point of view, development in the Metaline area is not so important, because most of it lies within the borders of Washington State, but the field extends beyond the boundary into British Columbia and it is probable that several properties will be brought into production there this spring.

Slocan Gives Promise

The Slocan country will probably stage a spectacular comeback this year because of improved metal prices. Companies such as **Slocan Rambler**, **Kootenay Florence** and **Utica** will probably be brought into production shortly.

Smelters will, of course, play the leading rôle in the drama of B. C. base metals this year, just as it has done for many years. The performance of Smelters marketwise is a partial indication of the tremendous expansion that has taken place there, and it is estimated that of the $400 millions increase in market values of mine and oil shares traded in the Vancouver market since 1932, Smelters is responsible for at least half.

Continued rise in copper prices may result in Smelters resuming operations at **Coast Copper** on Vancouver Island, and this in turn might lead to reopening of the **Sunloch** mine and **George Copper**. If these and other coast copper mines are put into commission again, strength would be added to the rumor that Smelters may proceed with the reconditioning of the Anyox plant for establishment of a smelter to handle ore from northern and coastal properties.

Cons. Mining & Smelting Co.

Granby, having said good-by to northern British Columbia — it so happened that Anyox was closed down only a few months before copper started its long move upward—this company is now concentrating on re-establishment at Copper Mountain. Handicapped to some extent by severe weather, the plant is gradually being put in order.

The plant will be of the latest type, with water-cooled turbines, using a million gallons of water daily. It will be in four units, three of 750 kilowatt capacity, one of 500. A large diversion dam will be constructed above the millsite. Granby has purchased the Bromley Vale coal mine to ensure a supply of coal In order to make the sale it was necessary to cancel the lease of the Black Diamond Coal Colliery, belonging to Princeton Properties, Ltd., who also sold the site for the power plant. A small crew is at work already, but general operation will not be started until spring. Production of 200 tons daily will be required. Ultimately the mine will be electrified from the power plant, and an aerial tramway installed to convey the coal to the plant.

Until transportation facilities are provided, work at the Allenby plant will be delayed. Considerable work is to be done yet on the railroad leading to the plant.

Howe Sound Active

Howe Sound Co.'s Britannia mines, once regarded as the greatest copper mine in the British Empire, has had an active year and production has been on a larger scale than for some time. Despite fluctuations in the price of copper, Britannia has maintained its organization, adjusting production to the market, and is now in a position to step out to take advantage of the improved conditions.

The surface railway that used to handle most of the Britannia ore has been replaced by a 2½-mile tunnel on the 2,700-ft. level, drawing from a comprehensive rock raise system to which all the mines are tributary. The lowest haulage tunnel is more than 4,000 ft. below the outcrop and 240 ft. above sea level. The face of this tunnel has been driven to a point exceeding 10,000 ft. from the portal.

Britannia represents an investment of more than $10 millions. Its production to date exceeds 500 million pounds of copper valued at more than $80 millions.

Pend Oreille

British Columbia has for some time taken an active interest in the Metaline district, and during the last base metal boom it was **Pend Oreille** that led the market. Pend Oreille is now driving a 600-ft. tunnel to divert the river for a new 2,000 horsepower hydro-electric plant and this power system will be available by early spring, when the capacity of the mill will be stepped up to three times its present production of more than 300 tons. Sufficient ore has been reserved to guarantee operation on a 1,000-ton basis for many years.

American Zinc in Picture

Importance of the Metaline districts has been emphasized during the last few weeks by the entry of the **American Zinc, Lead and Smelting Co.** under the corporate name of Metaline Mining & Leasing Co. It controls about 1,500 acres and has undertaken an extensive diamond drilling campaign. Work is now concentrated on a 4,000-ft. tunnel to reach the indicated ore bodies and about half that distance has been completed.

The same interests have taken over the **Grandview** property, and this will be operated with power from the Pend Oreille development. The 200-ton Grandview mill will probably be increased during the coming season.

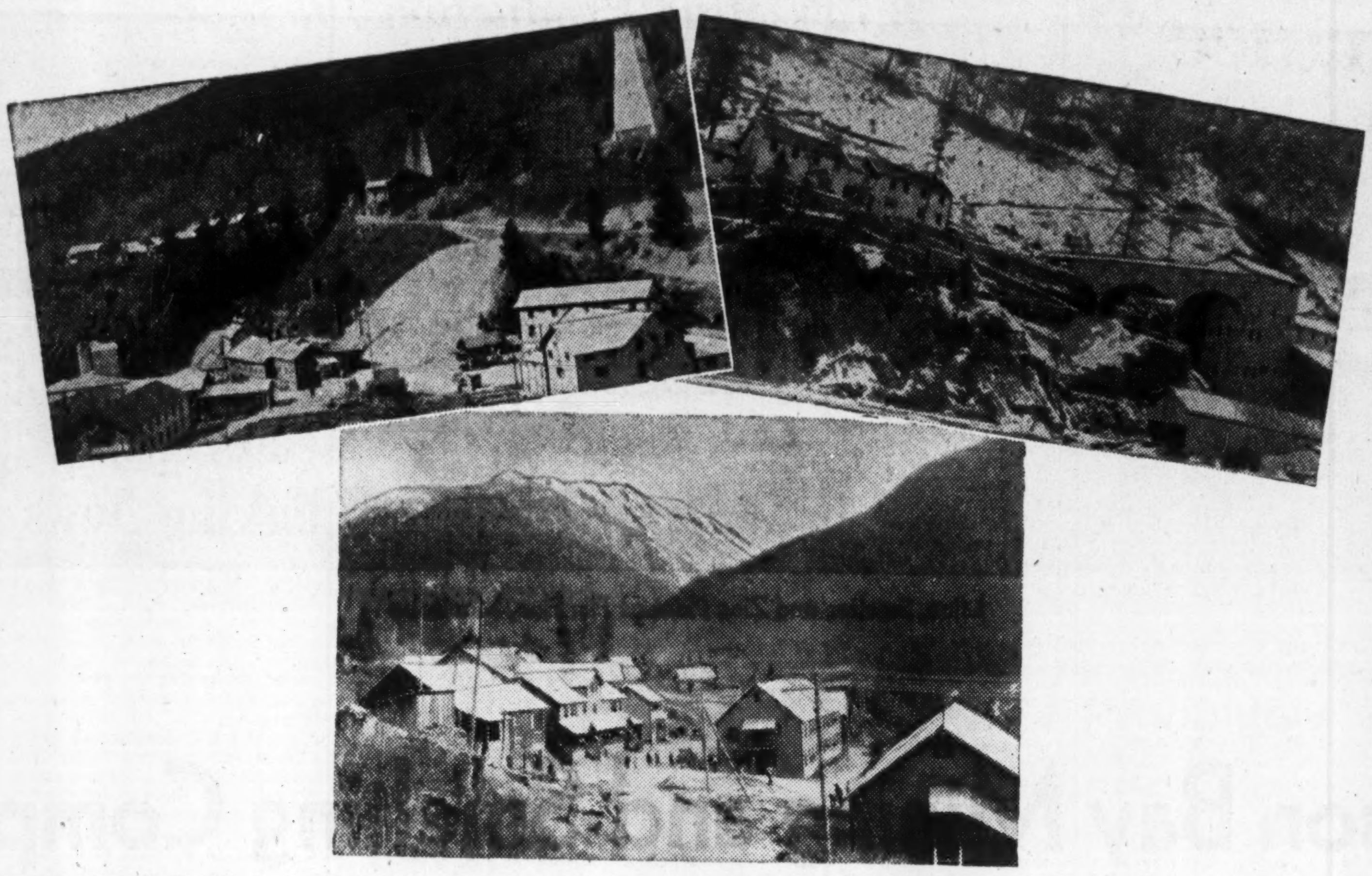
Reeves-McDonald is a Canadian company controlled by Pend Oreille. A large concentrator is planned for this property, which is reported to have several million tons of developed ore above the lower tunnel and of approximately the same grade as Pend Oreille's.

Whitewater Mines

Whitewater Mines, another base metal property, in the Kaslo district, has completed new financing arrangements to provide adequate working capital for a resumption of operations. **Luck Yim**, near Zincton, is another British Columbia operation that expects to profit from the market's rise. The mine and mill have been kept in good condition during the shutdown.

Noble Five mine at Cody in the Nelson district also expects to resume production some time in February. The last operations at Noble Five resulted in the shipping of 25-000 tons of ore grading about 6% lead and 10 or 11 ounces silver to the ton. Above the 800-ft. level the mine has been worked by previous operators to produce a substantial tonnage of silver, lead and zinc ore. Between the 100-ft. and 800-ft. level it is believed a good ore body should be opened and work will also be directed to the opening of the mine on the 1,800-ft. level. The operation is being backed to some extent by the **Sunshine-Calahan** mining interests of the United States.

Ruth Hope Mining Co., in the Slocan, has increased its capital, but the management is not yet convinced that prices warrant reopening the mill. Outstanding liabilities are being met, however, and preparations will be made to have the plant ready for an early reopening should conditions justify.



BRIDGE RIVER'S BIG THREE

A province of diversified metal production, British Columbia still ranks the production of gold as among the most important industries in the province. Above are shown three of the leading gold mines.

Top right is a view of Pioneer Gold Mines, which in 1936 produced well over $2 millions in gold. This property is on Cadwallader Creek, Bridge River area, on which placer gold was first discovered in 1886. The nucleus of the Pioneer property was staked in 1897.

Top left is a view of Minto Gold Mines, also in the Bridge River area. Minto has been producing since December, 1934, and is equipped with a 125-ton mill.

Bralorne, a recent photograph of which appears below, started production in Feb., 1932, and to the end of Jan., 1937, had produced nearly $7 millions in gold.

Smelters and B. C. Recovery ~

Huge Operation Seen as Biggest Single Factor in Improved B. C. Conditions

From Our Own Correspondent

VANCOUVER. — Biggest single contributor to British Columbia's mining recovery this year, as in other recent years, has been Consolidated Mining & Smelting Co., largest producer of lead and zinc in the world and powerful factor in base metal development throughout B. C. and in several other provinces. In silver production Smelters stands second only to Cerro de Pasco, over a term of years.

With higher prices spurring the company to increased production, about 11% more lead was produced last year than in 1935; zinc was up 5%. silver up 14.6%, and gold 6% higher. Higher base metal prices will make the dollar value of production much higher proportionately than the rise in tonnage. But the tonnage totals are impressive, at that. Lead was produced to the amount of 182,541 tons; zinc, 125,694 tons; silver, 8,615,895 oz.; gold, 69,330 oz.

In 1935 production was: lead, 164,329 tons; zinc, 119,840 tons; copper, 319 tons; gold, 65,131 oz.; silver 7,594,366 oz.

See $5 Millions Gain

Although the company has not yet anounced the extent of its sales in dollars and cents last year, it is estimated that they will approximate $28 millions, compared with less than $23 millions in 1935. If this estimate is correct, the figure is only slightly less than the peak reached in 1929. So far as tonnage is concerned, the big Trail plants achieved a record by a wide margin.

It has been a slogan of vice-president and general manager Selwyn G. Blaylock to keep 10 years ahead of competition, and this policy has no doubt been a large factor in the company's success. Mr. Blaylock and his associates early foresaw the importance of the chemical fertilizer market and the possibilities of converting into a valuable side-line products that were virtually wasted at the smelting plants. The result was the investment of some $7 millions a few years ago in one of the biggest fertilizer plants of its kind in the world, and officials of the company state that the sales have been in excess of expectations, especially in the Orient.

Repays Investment

The fertilizer plant was one example of Smelters foresight because it was undertaken when metal prices were taking a bad beating in world markets and most of the big metal producing companies were regarding the future with little confidence. Smelters officials regarded the situation worth the risk, and indications are that the investment will reward the company handsomely.

An earlier demonstration of Smelters pioneering was the development of the Sullivan mine after other interests had virtually abandoned the project. The ores were so complex that all known means of handling them were futile. Smelters laboratories were given the Sullivan ore job as their primary problem, and when the solution came with the utilization of the electrolytic process the company had a new mine of tremendous value at its disposal. As everyone knows, Sullivan for years has been the backbone of Trail production.

The Sullivan mine is responsible for more than 90% of the lead and over 75% of the zinc produced in Canada.

There was a time when Smelters was one of the leading producers of copper, as well as gold, but when the Rossland mines began to show signs of exhaustion the company virtually quit that field. Cadmium and bismuth, however, have been among the company's products for some time.

Expenditures Analyzed

An indication of the important place taken by Smelters in Canada's economic set-up is given by an analysis of the company's expenditures. In taxes alone the company pays more than $1 million a year, and during the past 10 years the company had paid $38 millions in railway rates; $75 millions in wages and salaries and $116 millions for supplies.

In addition to its concentrated industrial activity around Trail in the Kootenay, Smelters has been active in development of a wide variety of mining properties in almost every field in British Columbia, in Ontario, Quebec and in the Great Bear and Athabaska sections.

At Trail the Smelters concentrator has a daily capacity of 6,000 tons with a flotation unit of 600 tons daily used for customs ore; lead smelter, 1,750 tons; lead refinery, 470 tons; zinc reduction plant, 900 tons concentrates; zinc refinery, 400 tons electrolytic tons; precious metals refinery, 20,000 oz. silver daily and 2,500 oz. refined gold per month; sulphuric acid plant, cadmium plant, fuming plant, hydrofluoric acid plant.

Trail, with a population of more than 10,000, is one of the best organized and most efficiently managed company towns in Canada.

B. C. Metal Producers Form Growing List

Mine:	Location:	Tons
Ashloo	Squamish	25
Bayonne	Nelson	50
Bralorne	Bridge River	475
Cariboo Gold Quartz	Wells, Cariboo	200
Consolidated Mining & Smelting Co.	Trail	100
Dentonia	Greenwood	100
Esperanza	Alice Arm	30-50
Fairview Amalgamated	Fairview	100
Gold Mountain	Hedley	100
Granite Poorman	Nelson	60
Greenwood Concentrator Co.	Greenwood	50
Hedley Mascot	Hedley	150
Home Gold	Coquihalla	25
Island Mountain	Cariboo	100
Kelowna Exploration Co.	Hedley	200
Kootenay Belle	Sheep Creek	100
Minto	Bridge River	125
Nicola Mines and Metals	Nicola	60
Osoyoos Mines Ltd.	Osoyoos	50
Pioneer	Bridge River	435
Reno Gold	Sheep Creek	125
Second Relief	Erie	100
Sheep Creek Gold	Sheep Creek	150
Silbak-Premier	Portland Canal	600
Skidgate	Queen Charlotte	50
Surf Inlet	Skeena	100
Twin Lakes	Fairview-Osoyoos	40
Vancouver Island Gold	Alberni, V.I.	40
Velvet	Rossland	100
Vidette	Ashcroft	100
Wayside	Bridge River	150
Welldun Mining Co.	Portland Canal	25
Wesko (Centre Star)	Ymir	100
Windpass	Kamloops	50
Ymir Consolidated	Ymir	100
Ymir Wilcox	Ymir	25
Ymir Yankee Girl	Ymir	100

WOLVERTON & COMPANY
LIMITED
STOCK BROKERS
Established 1906
Members Vancouver Stock Exchange for 27 years.
553 Granville St., Vancouver, B.C.

Paid Up Capital .... $ 64,304.00
Surplus and Reserve 120,653.67
Net Worth, December 31, 1936 .... $184,957.67

Resources, Dec. 31, 1936

Securities on hand, available for immediate delivery —market prices, December 31, 1936........ $517,287.27
Sundry Assets, cash or equivalent 86,448.57
FREE AND UNPLEDGED $603,735.84

We know our British Columbia. The capital value of issues listed on the Vancouver Stock Exchange has increased more than $300,000,000 since 1932—and most of this remarkable increase has been the direct result of efficient development. We solicit accounts from customers who demand accuracy and efficient service.

WE LOOK INTO THE EARTH
DIAMOND DRILLING
CONTRACTORS & MANUFACTURERS

To those of the mining fraternity whom we may reach through these columns it is our endeavour to continue meriting your good will and trade which we value highly.

BOYLES BROS. DRILLING CO.
LTD.
Head Office and Plant — 1291 Parker Street — Vancouver, B.C.

Boyles Bros. Drilling (Eastern) Ltd.
Port Arthur, Ont. — Kirkland Lake, Ont.

B. B. Philippine Drilling Company
Manila, P.I.

Boyles Bros. Drilling Co. Inc.
Salt Lake City, Utah, U.S.A.

THE MINERALS OF BRITISH COLUMBIA

British Columbia has produced minerals of an aggregate value of $1,477,500,000.

The estimated value of mine production for 1936 is $52,500,000; being an increase of $3,678,761 over the value for 1935.

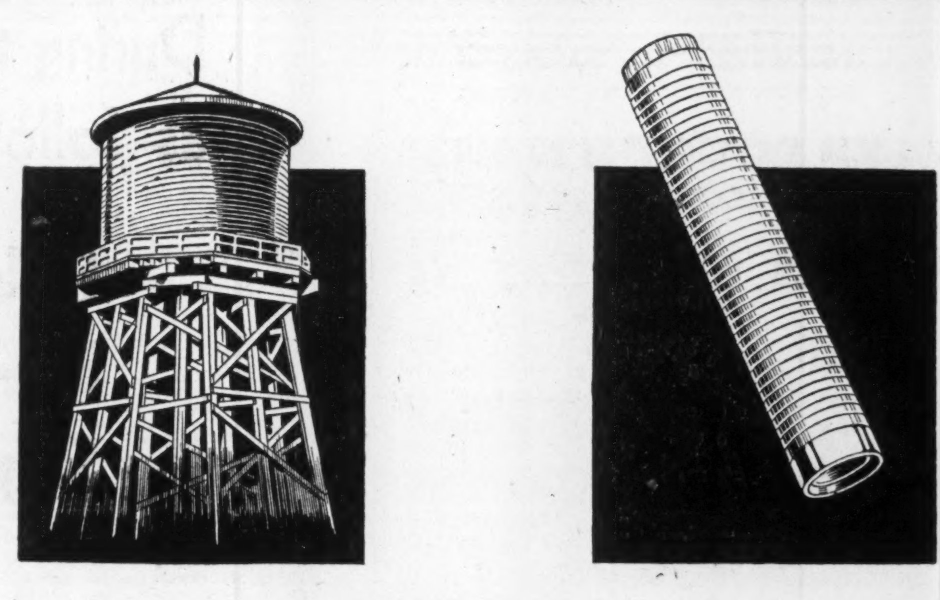
For authoritative information regarding the mining industry of this Province, apply to:

DEPARTMENT OF MINES
VICTORIA, B.C.

STOCKS BONDS
GRAIN

OUT OF TOWN CLIENTS
Prompt attention assured out of town Clients on orders and enquiries.

Hall Holland & Co. Limited
Members:
Vancouver Stock Exchange
Winnipeg Grain Exchange
B. C. Bond Dealers' Assn.
HALL BLDG. TRINITY 6231



Canadian WOOD TANKS
Meet the Specific Needs of the Mining Industry

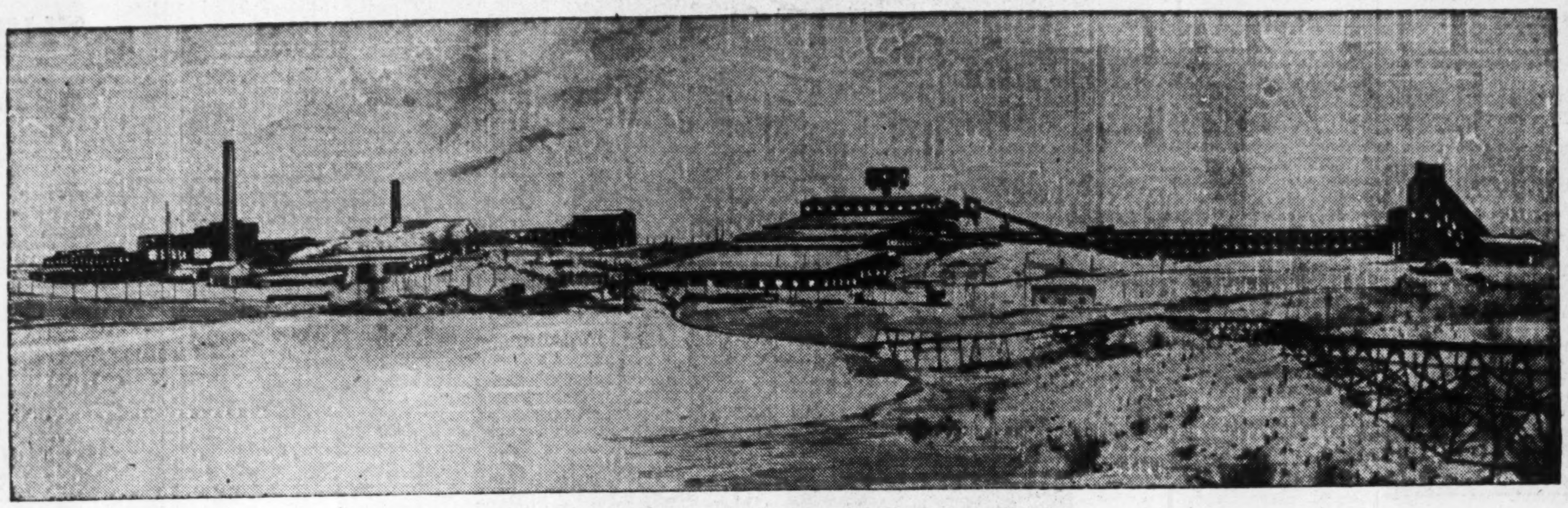
Over 80 different mines throughout Canada supplied with Canadian Wood Tanks or Pipes in the last 3 years.

Made in any diameter up to 60 feet—for water, oil, chemical or any other liquid storage purposes — proof against corrosion by salt solutions or acid compounds. "Canadian" Wood Tanks are recommended by mine superintendents throughout Canada.

Shipped knocked-down and readily assembled on the job, low in first cost, easily transported over difficult country, trouble-free and durable, "Canadian" Wood Tanks fill the specific needs of the mining industry. We are also makers of "Canadian" continuous-stave and wire-wound wood pipe.

Write for full details and prices

Canadian Wood Pipe & Tanks
Limited
550 Pacific Street Vancouver B.C.
33 YEARS IN BUSINESS



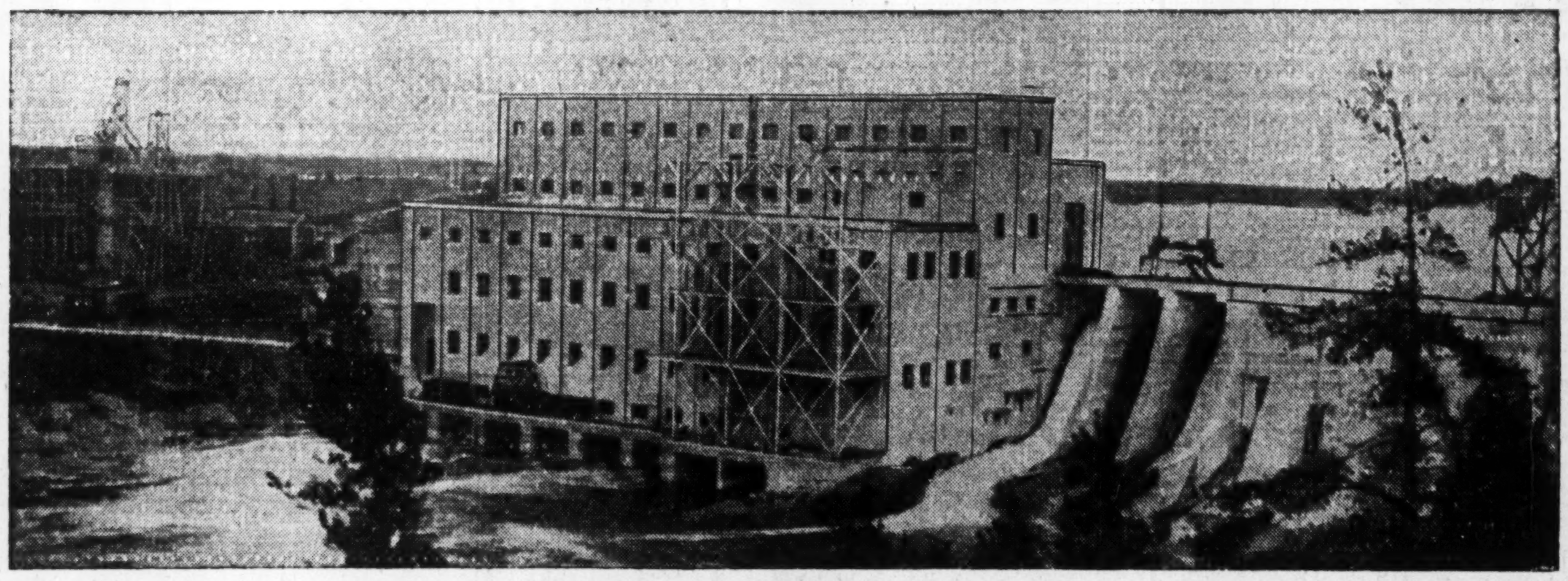
Mine, Smelter and Zinc Plant at Flin Flon, Manitoba

Hudson Bay Mining and Smelting Company's Contribution to the Economic Development of the Prairie Provinces of Canada

Since the first pick was struck in the ground in 1927, inaugurating the work on its plants at Flin Flon, Manitoba and Island Falls, Saskatchewan, the Hudson Bay Mining and Smelting Co. Limited has spent in construction and operation $57,500,000.00.

During the year 1936 cash expenditures were as follows:

Labor . . .	**$2,819,524.63**
Freight . . .	**1,297,209.76**
Supplies & Miscl.	**3,843,442.85**



Hydro-Electric Power Plant at Island Falls, Saskatchewan

Hudson Bay Mining and Smelting Co., Limited

Incorporated Under The Dominion Companies Act, Dec. 27, 1927

Northwest Territories Scene of Great Activity

Vast Area Has Indications of Varied Mineral Resources

Minerally speaking the greatest unknown quantity in Canadian mining is represented by that vast area north of latitude 60 known as the Northwest Territory.

During recent years, mining developments in this area have made rapid strides although the distance from the populated sections of Canada is so great that few Canadians are aware of these developments.

Before 1929, only two properties in this area had done any work underground. These were a lead-zinc property near Pine Point at Great Slave Lake and the Aurous Gold property on Wilson Island.

Discovery of Pitchblende

Apart from several large scale aerial field exploration programmes carried on by several mining companies, and the staking of the copper sulphides at Hunter Bay and in the Copper Mine River section, the next most important step in the development of this area was the discovery in 1930 at Echo Bay on Great Bear Lake of pitchblende and native silver discovery. Gilbert LaBine, now managing director of **Eldorado Gold Mines**, was the original staker of this deposit. The result of LaBine's find was to revolutionize mining in this part of the world and widespread developments followed. The original deposit is now the scene of regular production of silver and radium concentrates.

In 1935, interest was renewed in the Great Slave Lake section when gold discoveries were made on Outpost Island and at Yellowknife Bay. Those prospectors who were working in the Great Bear Lake area were attracted to the Great Slave Lake field as a result of these discoveries.

Gordon Lake Find

This early promise was largely justified by developments in 1936, when what is regarded as one of the most important discoveries in the territories was made at Gordon Lake, 50 miles northeast of Yellowknife Bay, Great Slave Lake. Another gold discovery was made on the south shore of Great Slave Lake about 20 miles east of the Taltson River. At last report, there were about 600 claims staked in the vicinity of Gordon Lake and several promising veins have been found.

The gold occurred in quartz associated with galena, sphalerite, chalcopyrite, pyrite and stignite. According to Government reports, one vein averages about eight ft. wide and has been traced for 700 ft. with visible gold showing in several places.

Among the companies actively interested in these developments are **Mining Corp., A. X. Syndicate, Consolidated Salmon Gold, Ventures Ltd., Burwash Yellowknife Gold Mines, A. E. Syndicate, Sun Bear Mines, C. L. Freeman, Springer Exploration Syndicate, D. & M. Syndicate, Wood Brown Syndicate,** and the **F. M. Connell Syndicate.**

Snow Suspends Work

Work on the developments was necessarily suspended last November owing to heavy snow and winter conditions. It is expected, however, that this work will be resumed, with renewed intensity in the spring.

Meanwhile, in the Great Bear Lake area, farther north, work at the **Eldorado** property was steadily continuing and expansion of productive facilities is now under way. This mine has been opened to a depth of 500 ft. below the adit level by means of an internal two-compartment, vertical shaft. Five levels are being developed on number two vein with stoping on the 125-ft. and the 250-ft. levels. No. 1 vein is to be developed by a long crosscut from the 500-ft. level. A Diesel electric hoist, capable of hoisting from a 1,000-ft. depth, is being installed to take the place of the present Diesel airplant.

The concentration mill at the mine is running at a capacity of 75 tons of ore per day and produces about 35 tons of concentrates monthly. These concentrates are shipped to the company's refinery at Port Hope, Ontario, where the radium silver and uranium products are extracted. During the summer of 1936, 326 tons of radium concentrates and 41 tons of silver concentrates are reported to have been shipped by water transportation. In addition to this concentrates are also transported by the "silveradium express, a large airplane, to McMurray."

B. E. A. R.

Bear Exploration and Radium Ltd. has been engaged for several years in developing its silver mine at Contact Lake and now has three levels opened up with an external two-compartment vertical shaft from the adit level down 200 ft. to No. 3 level. Stoping of ore has been progressing and a small concentration mill near the headframe has been intermittently in operation. During the summer of 1936 the capacity of this mill was enlarged slightly. Steam power has been replaced by Diesel power. Work has also been carried on at the property of the **Northern Lead Zinc Ltd.** on the south shore of Great Slave Lake. This property is 13 miles inland from Pine Point. In 1930, considerable drilling by churn drill and diamond drill was performed and in previous years several prospect shafts were sunk. This development proved the existence of an ore body close to the surface. During the past summer, the old prospect shafts were deepened and enlarged as assessment work.

Ventures in Field

On the opposite shore of Great Slave Lake a small discovery of niccolite was made in 1932, resulting in the sinking of several groups of mineral claims at that location. **Ventures Ltd.** carried on a geological investigation in 1934, followed by trenching in 1935 and 1936. No underground work has been done.

On Outpost Island, lying to the west of Wilson Island and south of Yellowknife Bay, a potentially important gold discovery was made in 1935. Free gold was uncovered in several pits and good assays were obtained. In 1935, the **Slave Lake Gold Mines** was formed to develop this group. Work included diamond drilling in February, 1936. During the summer of 1936, a shaft was sunk 67 ft. and a level opened at 50 ft. A total of 75 ft. of drifting was done on this level and the company plans to sink the shaft to 250 ft. during the current winter. Machinery and lumber for a small concentrating mill have arrived at the property and it is expected that this mill will be constructed during the coming summer. The mine workings are on an island that is about 800 ft. long and 250 ft. wide. The camp buildings are on a nearby island. The gold occurs in a silicified shear zone in arkose and quartzite rock. An interesting fact about this occurrence is the presence of andalusite containing some corundum which is reported to approach gem quality.

Burwash Yellowknife

The vicinity of Yellowknife Bay and outlying island has been the scene of several gold discoveries in the past three years. Probably the most advanced development work is on the No. 4 claim owned by **Burwash Yellowknife Gold Mines** where a two-compartment vertical shaft has been sunk to 150 ft. A station has been cut at the 125-ft. level and 150 ft. of lateral work completed. This work was started by hand steel in 1935 after which a Diesel oil engine and 210 cubic ft. air compressor were installed. Late last summer, underground work was temporarily discontinued and further surface exploration carried on. This company also has another gold discovery at Yellowknife Bay, 12 miles north of the No. 4 claim.

The **A. X. Syndicate** has several groups on mineral claims totalling over 100 on which regular quartz lenses carrying erratic visible gold have been uncovered by trenches on 10 or more veins but no drilling or underground work has been done.

Smelters Sinking

The **Consolidated Mining & Smelting Co.** located 18 claims in this area in 1935 and in October, 1936, started sinking a shaft on No. 5 which is now down well over 50 ft. The company reports having found several veins on this property which have been explored by small pits and trenches.

Also in this area are the **Aerial Exploration Syndicate** which has been doing surface work. This work has exposed numerous veins carrying short lenses of gold-bearing quartz. The finding of electrum which is an alloy of gold and silver is also reported from this property. **Ventures Ltd.** in the late summer of 1936 made a new gold find in a carbonate silicified zone 60 ft. wide and of undetermined lengths. The gold on this property is associated with arsenopyrite and adds interest to the area due to the fact that other carbonate zones exist in the district. **Consolidated Mining & Smelting Co., Ventures and Burwash Yellowknife** had crews totalling 59 men at work on their Yellowknife property last fall.

Along the south shore of Great Slave Lake, 20 miles east of the Taltson River, a new discovery was made in the spring of 1936. About 160 claims were staked of which number 144 were recorded by August. No detailed information has been received regarding the merits of this discovery.

Two Ages of Granite

Prospecting and mining developments in this area have been greatly assisted by the surveys and geological investigations conducted by officers of the Department of Mines and Resources. One of the highlights of the work during the past season was the identification by Dr. J. F. Henderson, Department Geologist, of two granites of different ages in the area southeast of Great Slave Lake. The identification is considered significant to prospectors in that a similar geological condition exists in the Athabaska Lake Gold area in Saskatchewan where the younger granite is found to be gold-bearing.

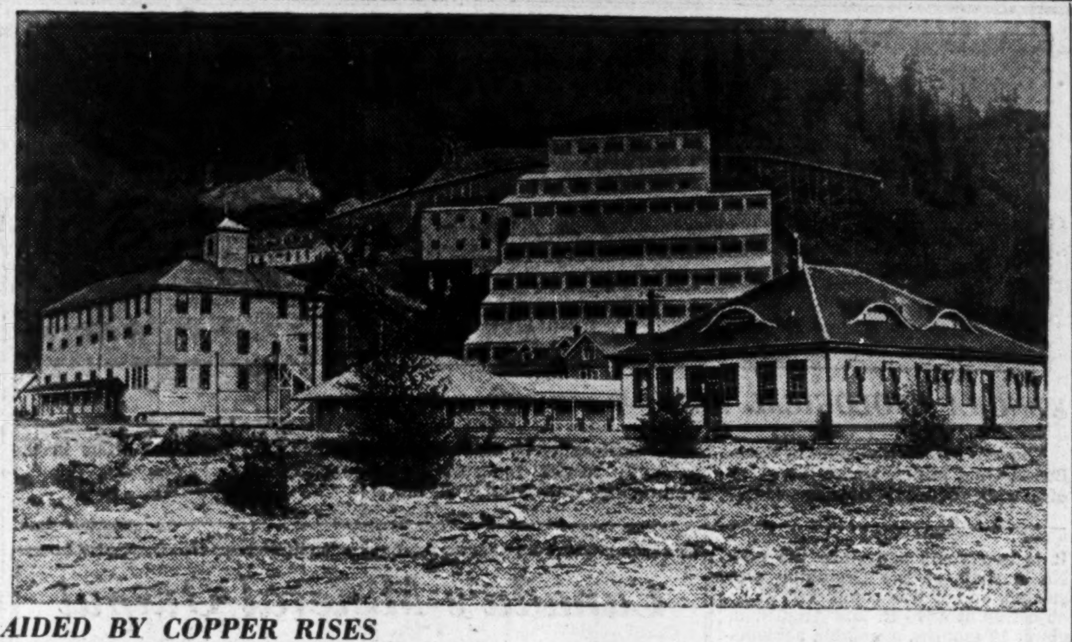
Bulls and Bears Have Queer Origin

Who first thought of calling market speculators "bulls" and "bears?"

According to the latest research finding, these two descriptive terms originated in the Mother Lode gold country of California. In those days, a popular form of amusement was to stage a fight between a bull and a bear. Some towns, such as Columbia, Cal., actually had arenas where such combats were staged. Much betting on the outcome of these fights went on and the populace was divided into bulls and bears.

The term caught the fancy of the Wall Street brokers who used the term to designate their attitude toward the market.

Accordingly, today a "bear" is one who is speculating on a drop in the market; a "bull" is one who is speculating on a rise.



AIDED BY COPPER RISES

British Columbia is a province of versatile rocks. One of the potentially important minerals is copper. Above is a recent view of one of the many properties which have been aided by steadily rising base metal prices. Britannia Mining & Smelting Co. at Britannia Beach, B.C., is controlled by Howe Sound Co. The mine has steadily increased mining operations with the upward trend in copper prices, so that at the end of 1936 the mill was operating at about 80% of tonnage capacity. A year ago, this plant was operating at only about 25% of capacity. In addition to copper and precious metals, iron pyrites have been produced and shipped to chemical plants for the manufacture of sulphuric acid.

Oro Plata Mining Corp. To Be Listed in Toronto

Shares of Oro Plata Mining Corp., holding gold prospects in the Little Long Lac, Ontario and Reed Lake, Man. areas, have been approved for listing on the Toronto Stock Exchange and will be called for trading February 24. Ticker abbreviation is ORP. In the balance sheet submitted to the exchange as of February 11, Oro Plata had balance of $494,890 in banks, accounts receivable $54,547, against accrued liabilities $630 and $37,500 balance due on purchase of securities. Investments at book value were carried at $953,981, and organized expenses at $2,400.

Canada's Gold Production 1935 - 1936

	1935 Ounces	1935 Value $	1936 Ounces	1936 Value $
Nova Scotia	9,376	329,942	11,125	389,709
Quebec	470,552	16,558,725	662,519	23,208,040
Ontario—				
Porcupine	968,543	34,083,134	1,022,687	35,824,023
Kirkland Lake	948,044	33,381,668	953,676	33,407,270
Other	303,746	10,668,822	386,183	13,527,990
Total Ontario	2,220,336	78,133,624	2,362,526	82,759,285
Manitoba	142,613	5,018,551	138,969	4,868,084
Saskatchewan	14,323	504,026	47,800	1,674,434
Alberta	150	5,279	85	2,978
British Columbia	391,633	13,781,565	445,861	15,618,511
Yukon & N. W. Territories	35,907	1,263,567	51,620	1,808,249
CANADA	3,284,890	115,595,279	3,720,505	130,329,290

"Vein Is Like Nail"

Novel Conception of Structure Shows Why It Doesn't "Sink Down"

Because it reveals a unique conception of geological structure, The Financial Post believes the following letter warrants space in this issue. The writer is a new subscriber, although he has, or had, a considerable section of his savings in mining stocks.

Herewith the letter:

"I think you would do well not to mention the word 'length' in describing a vein. In doing so, you lead people to believe that a vein may run parallel to the surface of the ground.

"Here is the point I want to come to:

"There is not a vein that runs parallel to the surface of the ground.

"All the veins dip into the ground or come from the underground. In both cases they are perpendicular to the surface of the ground.

"A vein comprises a body and two extremities.

"The body is the vein itself without the extremities; it presents three diameters: a longitudinal one, the length; a lateral one, the width and an anterior-posterior one, the thickness or so-called depth. The word 'depth' here seems improper.

"As far as the extremities are concerned, I will call the extremity we find on surface, the upper one and the extremity we find at depth, the lower one.

"But we can say that a vein has the shape of a nail with a flattened upper extremity which I will call the head, and to complete the picture I will call the lower extremity the tail.

"I 'imagine' the vein taking its origin from the depth of the ground, stretching out and becoming wider at the same time, and to such a degree that, when arrived to the surface, its head reaches a width of 4,000 feet as if that width was necessary to prevent the vein from sinking down. This, the picture of a well-fixed nail.

"I will stick to this explanation of mine till I get a better one, always providing that veins parallel to the surface of the ground do not exist.

"I wonder if there is any connection between the width of a vein on the surface and its length. In other words, the width of a vein on surface being known, can its length be approximately calculated?

"Do you know of a vein having a considerable length with a narrow width on surface? Have you any record of that kind in your files? What about Lake Shore and other old mining properties.

"I would like to know your opinion on the idea I have of a vein."

The FAIRCHILD "82"

The Fairchild "82" is now recognised as the standard freighter for Canadian operations. The steady demand for this type has necessitated constant production. Deliveries can now be made in two weeks from receipt of order.

Wasp S3HI engine. Controllable pitch propellor. Convertible wheels, skiis, Edo floats. Disposable load (seaplane) 2230 lbs. Gross weight, 6325 lbs.

FAIRCHILD AIRCRAFT Limited
LONGUEUIL (MONTREAL) QUE, CANADA

OSLER, HAMMOND & NANTON
STOCKBROKERS
Industrial and Mining Stocks
BOUGHT - SOLD - QUOTED

Members:
Montreal Stock Exchange
Montreal Curb Market
Winnipeg Stock Exchange
Canadian Commodity Exchange Inc.

Careful Consideration and Advice Given Investors

Nanton Building Winnipeg

GOD'S LAKE GOLD MINES LIMITED
No Personal Liability

During the Company's first full year of operation notable progress has been made in co-ordinating mine, mill and power plant, into an efficient, profitable operating unit. Concurrently mine development met with such success that ore reserve tonnage has been increased substantially — nearly two tons of ore were put in sight for each ton withdrawn for milling.

As a result an increase in mill capacity to 200 tons is considered warranted and steps are now being taken to put this into effect.

●

HEAD OFFICE
395 Main St.
Winnipeg

MINE OFFICE
God's Lake
Manitoba

HYDRO-ELECTRIC POWER

In a few short years mining has grown to be one of Manitoba's major industries.

The availability of an ample supply of reasonably priced hydro-electric power in the

Long Lake, Rice Lake and Berrisford Lake Areas

has done much to aid the development of Manitoba mines.

●

For further information consult
MAURICE C. GILMAN
General Sales Manager

Winnipeg Electric Company
Winnipeg, Manitoba

CONSOLIDATED GOLDFIELDS OF MANITOBA
(No Personal Liability)

CAPITALIZATION—1,000,000 SHARES

DIRECTORS

President
M. ROTHENBERGER

Vice-President
DR. A. G. MEINDL
W. G. H. WHYARD
R. E. CURRAN

Sec'y-Treasurer
D. A. THOMPSON

Consultant Engineer
A. I. KEENE

Mine Manager
W. L. C. GREER

HEAD OFFICE:
941 Somerset Bldg.
WINNIPEG, MANITOBA

MINE OFFICE:
BASSETT, MANITOBA

SACHIGO CALLING

In addition to the Company's ten radio stations located throughout the Midwest and Mackenzie River areas, Canadian Airways announce the opening of a new station at Sachigo River.

Radio Stations
YELLOWKNIFE
FORT McMURRAY
GOLDFIELDS
ILFORD
PRINCE ALBERT
GOD'S LAKE
NORWAY HOUSE
SACHIGO
COLLINS
CASUMMIT
WINNIPEG

This station has been established to facilitate extensive air transport operations in this area, arrangements for which have now been completed. In addition commercial messages will be handled. This will enable mining engineers and executives to keep in touch with home and office conveniently and at little expense.

Passengers prefer Canadian Airways
Speedy • Comfortable • Dependable Service

WINNIPEG
Airways Bldg.
Phone 201-184

MONTREAL
Desbarats Bldg.
Phone MA. 4231

TORONTO
217 Bay St.
Phone EL. 2081

CANADIAN AIRWAYS
BASES *Throughout* CANADA

H. E. SELLERS, President
C. E. GRAHAM, Sec'y.-Treas.

MELADY, SELLERS & COMPANY LIMITED

◆

GRAIN EXCHANGE
WINNIPEG

◆

Members Winnipeg Grain Exchange
Winnipeg Stock Exchange
Chicago Board of Trade

Stocks — Bonds
Grain — Mines

Direct private wires to all leading exchanges—Ticker Services for New York Stocks, Toronto Industrial and Standard Mining Stocks and Winnipeg and Chicago Grain Futures—providing a

Complete Board Room Quotation Service

◆

Conservative margin accounts accepted on leading stocks, bonds and grain futures.

Unlisted mining stocks bought and sold for cash.

Telephone 96471

A. W. McKINNON, Manager Brokerage Depart.
W. E. GOWER, Manager Bond Department

PACKSACK MINES LIMITED
(No Personal Liability)

Authorized Capital - 3,000,000 Shares N.P.V.
Shares Issued - - 1,569,269
Remaining in Treasury 1,430,731
3,000,000 Shares

The Company owns and is developing a gold mining property of 452 acres situated in the Rice Lake area in Manitoba.

A shaft has been put down 275 feet and levels established at 125 feet and 250 feet. Cross-cutting, drifting and diamond drilling are being carried out on these levels; also further surface diamond drilling has recently been commenced.

The Company is financed for its immediate needs.

HEAD OFFICE - WINNIPEG, MANITOBA
Mine Office — Bissett, Manitoba

1937 Production For Sudbury Set At $105 Millions

Full Effect of Large-scale Expansion of International Nickel Plant Still to be Felt — Position Reviewed

The gross value of the production of Sudbury's nickel and copper industry in 1937 will, it is expected, exceed $105 millions. The proved accuracy of this statement will be contingent upon there being no untoward economic or political world development that will disturb the present improving industrial and business trend.

The estimate is predicated upon the presumed output of $55 millions worth of nickel, $36 millions in copper and $15 millions in gold and silver, and the platinum metals. These predictions take into account the 10% decrease in the price of nickel sold in European markets, the assumption that copper prices will hold at the present level and probably slightly increase, and that values of gold and platinum will not be lower than the existing market quotations.

Value of output for 1936 was approximately $81 millions, roughly distributed $43 millions in nickel, $26 millions worth of copper and $12 millions in precious metals. Last year established a new all-time record in production and sales.

Nickel-copper Expansion

And while 1936 was setting up a new peak, the period was one of immense expansion in the nickel-copper industry, with the expenditure of new capital amounting to between $12 millions and $15 millions in enlargement of plants and mining facilities designed to meet future demands for the key metals with which Nature so lavishly endowed this district.

These enlarged facilities were brought into play as the year 1936 closed, and indications are that they will enter largely into the industrial picture that the steadily improving economic situation may paint during 1937.

The year 1936 constituted a period of expansion surpassed only by the great developments which commenced with the inauguration of the Frood mine activities in 1927 and terminated with the completion of the new smelter and copper refinery in 1930-31, in which programme over $50 millions was spent. Last year witnessed most important additions to productive capacity, in Canada, the United States and other countries where The International Nickel Co. operates. These additions, which effected better balance in production processes and added to potential output, provided the nickel-copper industry with the reserve capacity to maintain prompt deliveries under any conditions which can reasonably be anticipated.

New Set-up

The new step-up in International Nickel production naturally centred upon the keystone of the whole programme, the second smelter, which cost $6 millions and was designed to handle copper concentrates from the mill. The other smelting unit was given over to nickel feed. Construction work was commenced early last year and the whole project was completed well ahead of schedule, the two new reverberatory furnaces being blown in the first week in November last. The addition of these units brings the total effective force of reverberatory furnaces up to seven, the most imposing capacity ever assembled under the roof of a single smelting plant. The new construction permits of an increase of approximately 40% in productive capacity.

Companion Enlargement

Coincident with the provision of augmented smelting facilities, enlargement of the concentrator was also effected, from a capacity of 8,000 tons to 12,000 tons daily. This work entailed an expenditure of about $1 million.

A small increase in the capacity of the copper refinery of the Ontario Refining Company, wholly owned subsidiary of International Nickel, was effected by minor changes and improvements. The total rated capacity of the copper refinery when placed into service was 240,000,000 pounds of copper annually. It is understood that with the improvements effected this output can be increased by approximately 2,000,000 pounds monthly.

In keeping with the increase in the various plants at Copper Cliff and at the mines, International Nickel also made provision for a corresponding expansion at Port Colborne, where the nickel matte is sent for refining. Three new electrolytic units have been provided at that plant, bringing the total to 10, and the whole project there is thus brought into balance with the mining and metallurgical facilities in the Sudbury district.

Mining Enlargement

In the 1936 programme the main enlargement of mining operations was centred at the Creighton mine. It is two years ago since the new No. 5 shaft at the Creighton was started, and it was completed to its objective at 4,075 ft. last August, in about 19 months, a notable achievement when the size of the project is taken into consideration. The shaft measures 30 ft. by 18 ft. 6 ins. outside the timbers, is of six compartments, and is serviced by a bicylindrical conical unit hoist, the largest ever constructed in Canada.

From this new shaft, International Nickel is opening what is virtually a new mine at the Creighton. Levels from the 42nd to the 52nd are being opened up, providing for the development of 1,200 ft. vertical depth of the deposit.

Frood Development

Originally planned in the programme initiated 10 years ago to produce a maximum of 10,000 tons daily, Frood Mine has recently been raising as high as 11,500 tons per day for shipment to the Copper Cliff smelter.

As showing the immensity of the Frood development, there are over 28 miles of drifts and crosscuts, and more than 125 working stopes from which the ore is drawn.

Recently, the Garson mine, one of the producers for Mond Nickel Co. before the merger of that company with International Nickel, was reopened after being closed down for over five years. For the present attention is being directed mainly to cleaning up the known ore, with the possibility that, if demand warrants, and exploration justifies, the mine may see further development and production on a much larger scale.

Falconbridge Nickel Mines

And while these various imposing operations have been proceeding at International Nickel, the **Falconbridge Nickel Mines,** about 15 miles from Sudbury, has to a smaller degree been expanding its development and productive capacity, entailing the expenditure of practically $2.5 millions during the last two years. The end of 1936 saw this programme virtually completed, and this year Falconbridge will be in a position to increase its output by approximately one-third.

Commenced in 1935 the company last year completed to a depth of 1,700 ft. a new shaft, known as No. 5, situated 2,500 ft. east of the original No. 1 shaft. Through this shaft an extensive ore body has been opened up on several levels, and the operations connected with the old workings. All mining operations are now centred through the new shaft.

While underground operations were being enlarged an extension was also being provided to the smelter, concentrator and sintering plant, and the various units put in position to handle about 1,400 tons daily.

Ore Reserves Up

At the company's nickel refinery in Kristiansand, Norway, also, further equipment was added during the year, and that plant brought into balance with the mine and metallurgical works at Falconbridge.

Meanwhile, the company has been keeping its ore reserves well ahead of requirements, development in the eastern section of the mine having added over one million tons during 1936. This is in keeping with the company's policy of placing that amount of ore in reserve every year in order to ensure continuance of operations. Present reserves are over four million tons, sufficient to operate the plant at the current rate of production for 10 years.

Though present programme calls for the treatment of 1,400 tons daily, the enlarged facilities are planned to handle an ultimate production rate of 3,000 tons daily, and the necessary alterations to mill, crushing plant and smelter can be made quickly when occasion demands. The shaft is already equipped to raise that tonnage.

Falconbridge production has recently been on the basis of around 11 million pounds of refined nickel and five million pounds of refined copper annually, and the new rate of output with added facilities in full sway should increase these figures to approximately 15 million pounds of nickel and 6.5 million pounds of copper.

The mines of the Sudbury district contain a known reserve of ore amounting to 210 million tons, enough for the next 60 years at the present rate of production. The growing diversification of world consumption of nickel indicates that the peak in output and sales has by no means yet been reached, and in reserves and productive facilities the Sudbury industry is well equipped to take care of further demand.

KENORA GEOLOGICAL BET

Above is shown the camp of Brae-Breest Gold Mines, where discovery of a wide porphyry flow has led to further exploration by diamond drilling, with results reported to be encouraging. On the left is the bunkhouse, with the mine office in the background.

Canada's Mineral Output 1935 - 1936

		1935 Quantity	1935 Value $	1936 Quantity	1936 Value $
Metallics:					
Gold	fine oz.	3,284,890	67,904,700	3,720,505	76,910,000
Estimated exchange on gold produced	$	......	47,690,579	......	53,419,000
Silver	fine oz.	16,618,558	10,767,148	18,089,000	8,164,000
Nickel	pound	138,516,240	35,345,103	167,713,000	43,471,000
Copper	pound	418,997,700	32,311,960	414,137,000	38,665,000
Lead	pound	339,105,079	10,624,772	377,965,000	14,643,000
Zinc	pound	320,649,859	9,936,908	326,916,000	10,765,000
Platinum metals	fine oz.	190,146	5,408,667	233,652	7,741,000
Cobalt	pound	681,419	512,705	644,500	754,000
Other metals		......	1,298,307	......	1,803,000
Total		......	221,800,849	......	256,335,000
Non-Metallics Fuels:					
Coal	ton	13,888,006	41,963,110	15,052,000	47,576,000
Natural gas	M. cu. ft.	24,910,786	9,363,141	25,806,000	9,808,000
Petroleum, crude	brl.	1,446,620	3,492,188	1,495,000	3,608,000
Peat	ton	1,340	5,761	2,300	10,000
Total		......	54,824,200	......	61,002,000
Other Non-Metallics:					
Asbestos	ton	210,467	7,054,614	307,596	10,131,000
Feldspar	ton	17,742	144,330	17,582	134,000
Gypsum	ton	541,864	932,203	788,287	1,252,000
Magnesitic-dolomite		......	486,084	......	722,000
Quartz	ton	233,002	424,882	1,047,172*	540,000
Salt	ton	360,343	1,880,978	384,149	1,654,000
Sodium sulphate	ton	44,817	343,764	89,654	595,000
Sulphur	ton	67,446	634,235	105,256	928,000
Talc and soapstone		......	171,532	......	172,000
Other non-metallics		......	431,386	......	405,000
Total		......	12,504,008	......	16,533,000
Clay Products and Other Structural Materials:					
Clay products (brick, tile, sewer pipe, etc.)		......	3,012,563	......	3,201,000
Cement	brl.	3,646,086	5,580,043	4,439,628	6,936,000
Lime	ton	405,419	2,925,791	463,000	3,206,000
Stone, sand and gravel		......	11,697,003	......	13,327,000
Total		......	23,215,400	......	26,670,000
Grand Totals		......	312,344,457	......	360,540,000

*Includes all silica sand used for smelter flux in 1936.

55 Trains

This Is Amount of Supplies Used by Inco

A tangible example of the purchasing power unleashed in Canada by the mines may be had by a study of the recently completed expansion programme of one company, International Nickel Co. The huge volume of material shipped into Copper Cliff and utilized in construction of the new smelter, 510 ft. stack and other buildings may be had from the following figures, which have been translated into carload lots:

202	cars of cement.
47	cars of railway equipment.
93	cars of lumber.
184	cars of machinery.
40	cars of fuel.
36	cars of reinforcing steel.
263	cars of brick, tile, laths, etc.
176	cars of firebrick and magnesite brick.
93	cars of gravel.
50	cars of piping.
392	cars of structural steel.
106	cars of material for the stack.
18	cars of miscellaneous supplies.

This makes a total of 1,700 railway cars or approximately 55 average size trains.

Sioux Lookout Seeks to Prove Mining Merits

Half a Dozen Properties Drilling or Working Underground

SPLIT LAKE GOLD

More interest is being taken in the Sioux Lookout area of the Red Lake Mining Division (formerly in the Kenora Division) than ever before, and a camp whose sole contribution to the mint has amounted to but $30,000 over the period of years since the presence of gold was first discovered back in the '90's, is nonplussed by its lack of accomplishment. Half a dozen operations are in the underground and diamond drill stage, while a score or more private and semi-privately-owned groups have seen activity since the staking rushes in Split Lake sector during the past two successive years.

Split Lake Gold Mines, principal operation, has not had the anticipated results after sinking a shaft 350 ft., but more recent work—of a diamond drilling nature—seems to offer some encouragement. The company gives every evidence of being sincere in efforts to make a mine. Three levels have been established since the shaft was completed a few months ago, following diamond drilling having indicated mine-making conditions in 11 veins that were located.

Alcona Sinking

Alcona Mines, adjoining group and the pioneer operation in this section, having been staked years before the Split Lake find was made, is now busily engaged in sinking a shaft. It is expected that the present objective of 325 ft. will be reached within the next few weeks, after which development work will be pushed forward on two levels. The company is being financed by the **Glebe Mining and Finance Ltd.,** which has placed $125,000 in treasury of Alcona to complete the shaft and carry out an extensive lateral programme. If this work is satisfactory, further funds up to $550,000, to ultimately bring the property to production, are assured.

Split Contact Lake Syndicate has been getting better results in a diamond drill campaign than surface showings would indicate, so that negotiations are now proceeding for organization of a company. A Buffalo group is mentioned in this connection. When the company has been incorporated, a mining plant is to be purchased and a shaft sunk. In the meantime the drill contract has been extended to thoroughly test along full length of the main showings.

Denman Securities is diamond drilling on narrow high-grade veins occurring in wide porphyry dikes on the Zurbrigg claims. **Inter Lac Gold Ltd.** is proceeding with organization of another company to acquire claims on which **Inter Lac** did some work. Plans are then to diamond drill. These claims are on Minnetaki Lake, south of **Alcona. Cedar Bay Mines,** which has succeeded a syndicate of the same name, is preparing to drill on showings uncovered last summer on its property seven miles south of Hudson, adjoining **Vermor Gold Mines. Vermor** is still negotiating for funds to complete a 4,000 ft. diamond drill campaign to follow up 1,200 ft. of drilling done last winter. **Sioux Lookout Gold Mines** is a newly organized company which has given R. F. Dynes a contract to survey its claims, formerly the Axis property, north of Split Lake. When this has been completed the company's geologist will line up a diamond drill programme. **Twin City Gold Mining Syndicate** has been doing work recently but future plans are rather indefinite. Work is planned for claims staked on the outskirts of Sioux Lookout town.

Golden Streets

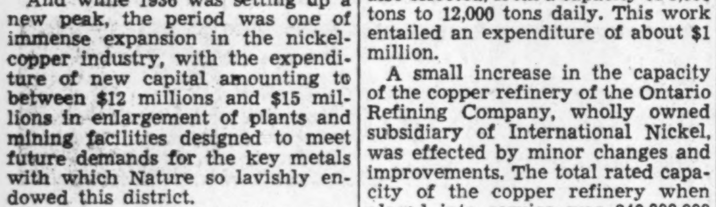
Editor Disproves Theory After Trip to River Styx

Robert Bruce Bennett, editor of Canada's oldest mining paper, the Western Canada Mining News, established in 1899, recently returned to his desk after a severe illness. News of his recovery was reported in his paper in the following mine-minded style:

"After an exploratory trip along the tributaries of the River Styx, Robert Bruce Bennett is back again at the editorial desk of Western Canada Mining News. During the three months that the trip occupied, Mr. Bennett was able to learn that there is no truth in the rumors that gold is to be found in those streams, and that there is no encouragement whatever for prospectors to visit that country.

"While there, he ran across a fellow named Charon, who has run a ferry across the river Styx for many years, and he remarked that gold was to be found on the thoroughfare of the country on the other side of the river. This territory was not visible because of a perpetual dense gloom which maintained from the middle of the river onward. Charon added that the gold was reported so plentiful that the thoroughfares were known as 'golden streets,' and invited ye editor to make the trip over.

"It transpired, however, that Charon's information was based entirely on hearsay, for he admitted that while he had ferried many people one way across the river he never, in the many years he had been there, had brought one person back. That being the case, he was in no position to give definite information about the so-called golden streets.



Buffalo Ankerite Gold Mines Limited

(No Personal Liability)

Authorized Capital -	1,000,000 Shares
Issued - - - - -	701,679 Shares

Organized October 5th, 1932, under Ontario Companies Act

OFFICERS

EDWARD G. KINKEL	*President*
GUSTAVE R. LOESCH	*First Vice-President*
JACOB BETZ	*Second Vice-President*
GEORGE R. FEINE	*Secretary*
CLARENCE H. LEO	*Asst. Secretary*
HENRY KOBLER	*Treasurer*
R. P. KINKEL	*Asst. Treasurer*

DIRECTORS

ALPHONSE J. BALDECK
JACOB BETZ
EVERETT BRISTOL
HARRY J. CARMICHAEL
GEORGE R. FEINE
HENRY KOBLER
EDWARD G. KINKEL
GUSTAVE R. LOESCH
HENRY J. TIEDT

PRODUCTION

1932	$ 246,620
1933	462,680
1934	712,898
1935	1,056,653
1936	1,888,828

TONS MILLED PER DAY

1932	300
1933	321
1934	360
1935	437
1936	742

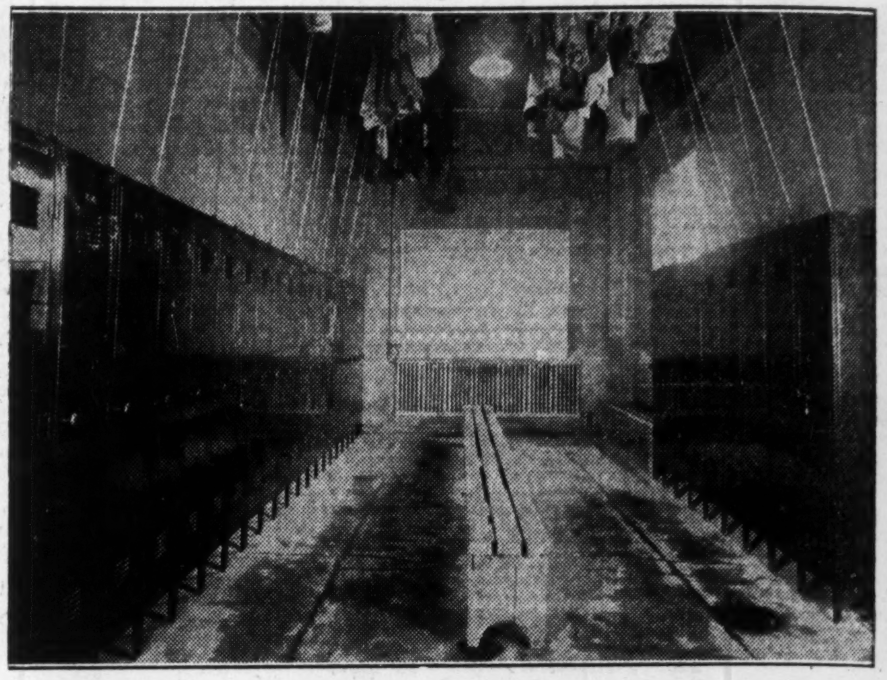
Present rate is in excess of 900 tons per day.

Executive Office
1728 Rand Bldg.
Buffalo, N.Y.

Head Office
South Porcupine
Ontario

PROTECTION IN THE MINES

IS ESSENTIAL ABOVE AS WELL AS BELOW GROUND, TO EVERY ONE



A TYPICAL CHANGE ROOM AT ONE OF THE OUTSTANDING MINES SHOWING STRONG ARM STEEL LOCKERS

Protect your interests and safeguard your miners' health by installing in your change rooms STRONG ARM STEEL LOCKERS

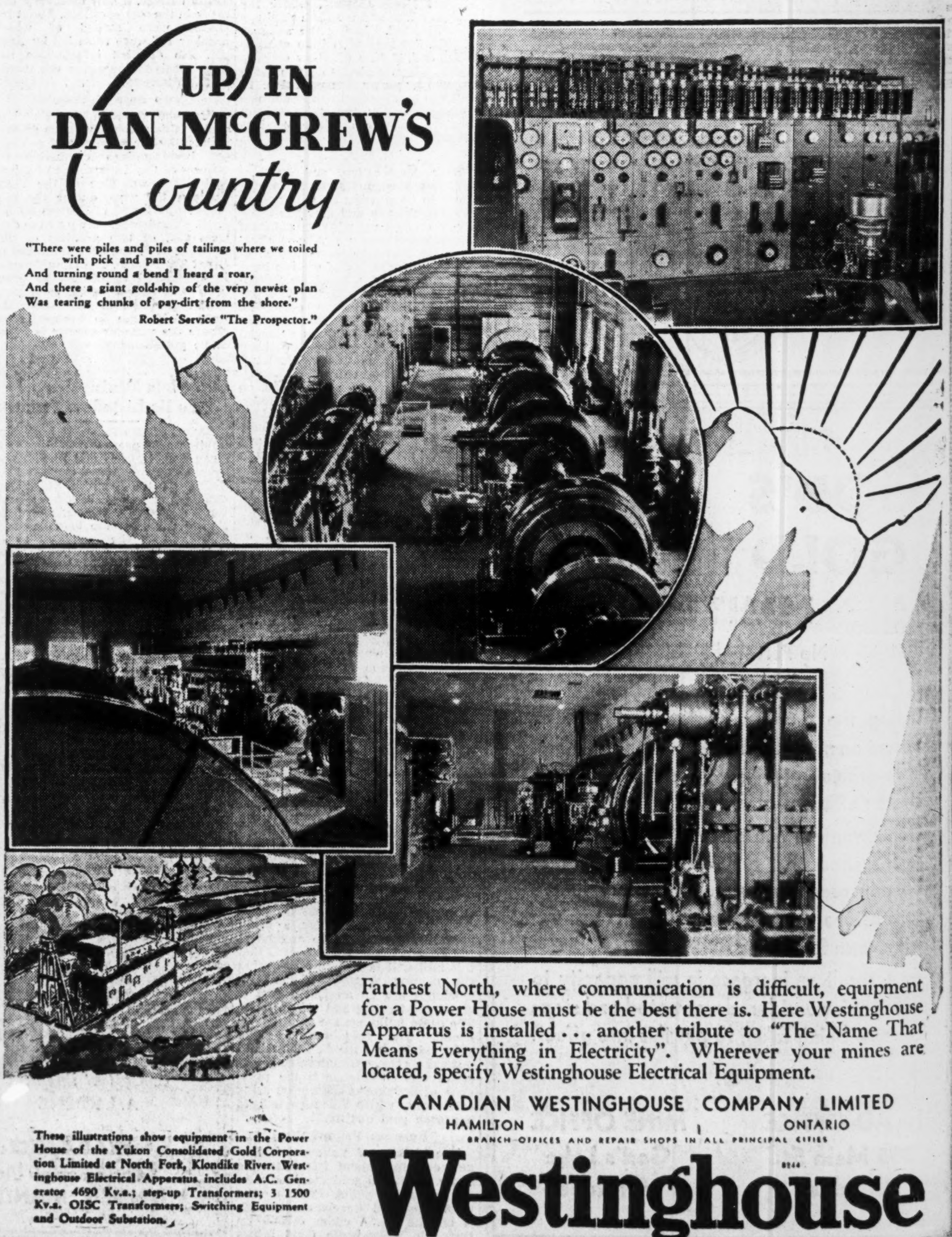
THE STEEL EQUIPMENT CO. LTD.

FACTORY AT
PEMBROKE, ONT.

Agents and stock in every city

MADE IN CANADA

SALES OFFICE
304 BLACKBURN BLDG.
OTTAWA, ONT.



"There were piles and piles of tailings where we toiled
with pick and pan
And turning round a bend I heard a roar,
And there a giant gold-ship of the very newest plan
Was tearing chunks of pay-dirt from the shore."
Robert Service "The Prospector."

Farthest North, where communication is difficult, equipment for a Power House must be the best there is. Here Westinghouse Apparatus is installed . . . another tribute to "The Name That Means Everything in Electricity". Wherever your mines are located, specify Westinghouse Electrical Equipment.

CANADIAN WESTINGHOUSE COMPANY LIMITED
HAMILTON ONTARIO
BRANCH OFFICES AND REPAIR SHOPS IN ALL PRINCIPAL CITIES

These illustrations show equipment in the Power House of the Yukon Consolidated Gold Corporation Limited at North Fork, Klondike River. Westinghouse Electrical Apparatus includes A.C. Generator 4690 Kv.a.; step-up Transformers; 3 1500 Kv.a. OISC Transformers; Switching Equipment and Outdoor Substation.

Westinghouse

Lusty Youth ~ ~

How the Welfare of Mining Aids the Welfare of Canada

By HON. CHARLES McCREA

We measure yesterday and today by contrast. By all contrasts, Canada today is entering a period of recovery and is starting on an era of normal advance in all lines following the late unlamented period of depression.

There is more optimism today and more tangible basis for that optimism. For the 12 months ended Nov. 30, 1936, Canada's external trade exceeded $1,628 millions, an increase of $250 millions over the same period last year. Canada's favorable trade balance to the end of November was $338 millions.

All classes of Canadians are sharing in this new surge of business; the man who makes boots and shoes, the man who sells groceries and meat, the farmer, all testify to these generally improved conditions.

Depends on Basic Industries

History has shown that much of Canada's prosperity depends on conditions in her basic industries. Thus behind generally improved conditions today is the fact that agriculture has been aided by the Empire preference treaty of 1932 which has enlarged our market and by the treaty with the United States in 1935 which has helped our farmers find a market for their products. Lumber has been aided by recovery in the newsprint industry, by the general business pick-up in United States, Canada and elsewhere and more particularly by the industry around which my life centres—mining.

Pass Benefits On

During the lean years now behind us, Canada's production of gold has stood her in good stead. Today, in addition to greatly higher prices for gold, Canadians are beginning to feel the effect of higher base metal prices. Thus recovery is always felt first in primary industries which pass the benefits of better times on to secondary industries.

I have been fortunate in being able to watch the growth of the mining industry in this province. When I first went north in 1901, the nickel industry in Sudbury was struggling in an effort to find markets for its products and to solve weighty metallurgical problems. At that time, there was no Cobalt, no T. & N. O., no Porcupine, no Kirkland Lake.

In that year the annual mineral production amounted to about $11.8 millions. In 1936 the value of mineral production amounted to about $179 millions of which approximately $161.5 millions were metals and $18 millions nonmetals. Unless all prophets are confounded, 1937 production will show still another big increase.

This growth in mineral production would mean little or nothing to the average Canadian were it not passed on through myriad channels. No less an authority than the Hon. T. A. Crerar, Federal Minister of Mines, is my authority for the statement that the annual average wage paid by the mining industry exceeds the average wages paid to employees in any other industry, not excepting even that of the Ford Motor Co. In dividends alone, many millions of dollars are distributed annually.

The following table shows what portion of Canadian metal output in Ontario, since records were first kept, has been distributed to shareholders:

Ontario's Record

	Production $	Dividends $
Gold	747,310,000	235,332,835
Silver	266,630,500	99,014,069
Nickel	470,178,100	195,608,892
Copper	204,544,500	
Platinum	43,981,600	
Totals	1,732,644,700	529,955,796

It has been estimated that in the current year the enormous figure of $104,500,000 will go to shareholders of Canadian metal mines. This compares with 1936 payment of $80,950,180.

It might be of interest to see where these tremendous sums come from The following table shows the various sources of 1936 dividends:

Dividends Paid in 1936

Areas:	$
Kirkland Lake	16,989,820
Porcupine	11,021,672
Western Ontario	1,652,902
Sudbury	21,894,233
Quebec	8,112,890
Manitoba	3,082,180
British Columbia	16,627,103
General (over many combined areas)	1,569,380
Total	80,950,180

One company, International Nickel Co., last year paid $20.8 millions to its shareholders in the form of dividends. Lake Shore, the wonder mine of Canada, last year paid $10 millions in dividends. Consolidated Mining and Smelting Co. paid $6,515,257.

Field Crops vs. Mining

Sometimes figures, unless used in comparison, lose their point. Let us see how the Ontario mining industry stacks up with, for instance, agriculture.

In 1934, the value of field crops in Ontario was $143,734,000. In the same year the production value of Ontario's minerals was $145,854,175.

In the following year (1935) field crops had a value of $132,207,700. Mineral production was valued at $159 millions.

Last year, against field crops valued at $154 millions, production value of Ontario's minerals was $179 millions.

This is from the Ontario angle. But mining is essentially a Canadian industry. I have mentioned that the 1936 mineral production for Canada had an estimated value of $360 millions, an all-time record. It has been reliably estimated that the 1937 production will run to $440 millions. It has been further predicted that the 1938 production will be worth $500 millions. This is half a billion dollars.

Some 200 miles north of Toronto, as the crow flies, is an industry which is capable of producing annually 200 million pounds of nickel; 240 million pounds of copper; 40,000 ounces of gold; 300,000 ounces of platinum metals; 1½ million ounces of silver. I refer, of course, to the great nickel industry. Between the years 1928 and 1935, International Nickel Co. paid approximately $200 millions to Canadian employees, shareholders, railways, power companies, supply firms and to various governments in the form of taxes.

When I mention that 99½% of this huge fund comes from the sale to foreign customers, you will understand what is meant by the creation of new wealth. In one year, 1936, this one company paid $15.8 millions for labor and salaries; some $12.5 millions for materials, and $8.7 millions for freight, power and dividends. This one company used 350,000 tons of Canadian coal; 53 million feet of Canadian lumber and employs over 9,000 employees in the Sudbury area.

Let us take another company, Noranda—the huge copper-gold producer of northwestern Quebec. Noranda paid in wages at the thriving town of Noranda and at Montreal East, where the company's refinery is situated, from the start of operations to the end of 1935, $20 millions. This one company bought material valued at $30 millions. Power valued at $3 millions. Construction of plants at Noranda and at Montreal East disbursed another $15 millions.

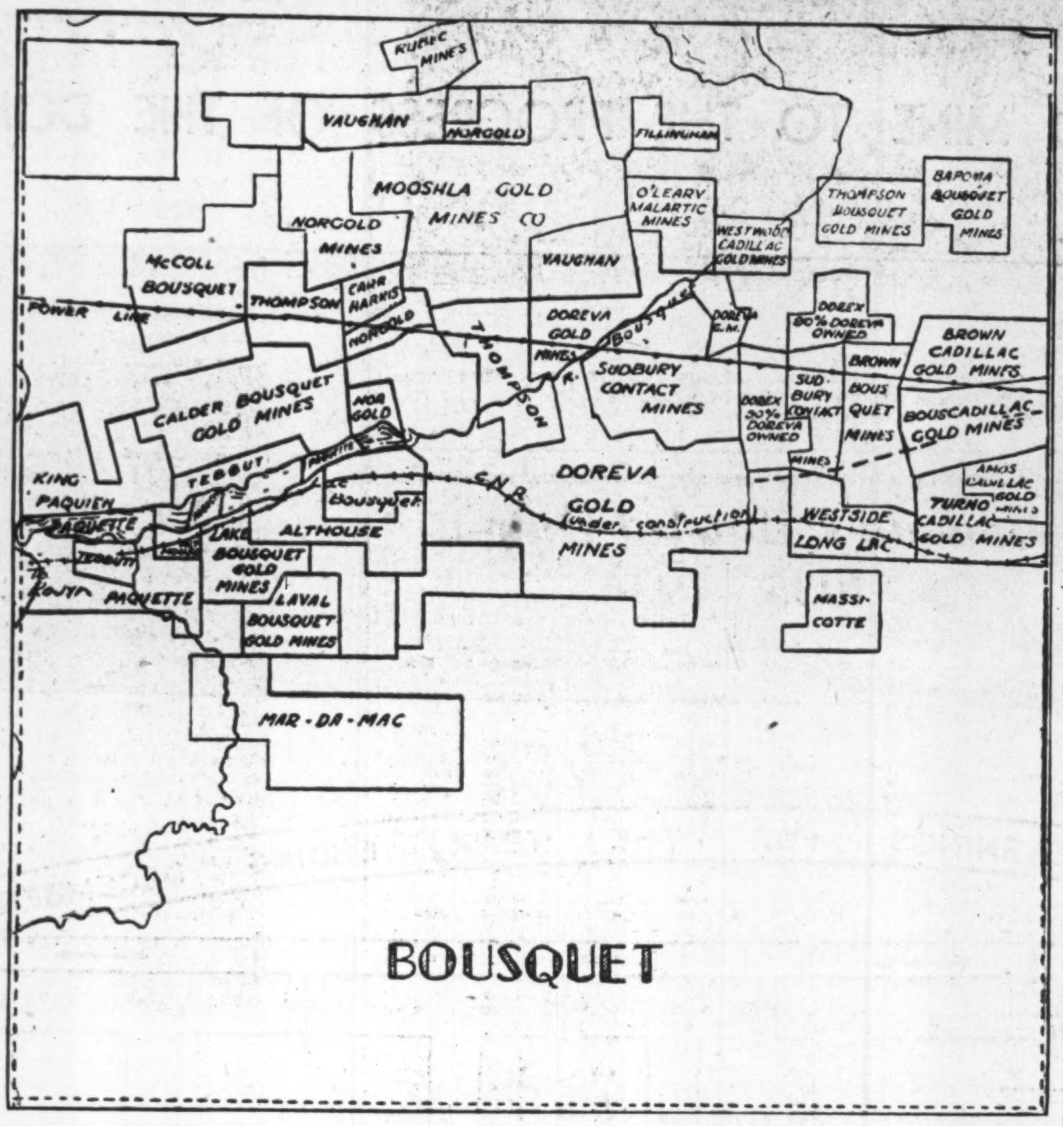
Hollinger's Expenditures

Another example—Hollinger Consolidated, pioneer Porcupine producer. From 1911 to Dec. 31, 1936, Hollinger Consolidated distributed the following new wealth—wages, $85.2 millions; supplies, $52.7 millions; taxes, $11.5 millions; dividends $82.8 millions. In this period then, this one company distributed new wealth to the extent of $232,315,000.

The important thing to remember is that practically all of this new wealth was spent in Canada.

Other cases could, of course, be cited such as that of Lake Shore Mines. Between 1918 and 1936 it spent a total of $20,887,359 for supplies, machinery, fuel, oil, groceries and power. Freight and express alone amounted to $1,555,750, wages amounted to $20 millions.

West of Cadillac Township



Twisting Fire—

"Red Cyclone" Syndicate Prepares to Explore Possibilities of Prairie Phenomenon

The Indian called it "twisting fire." Old timers knew it as the "Red Cyclone."

Today an oil syndicate is preparing to capitalize on the story of a strange column of fire, 300 feet high which periodically has risen from a small spot of clay on the Regina prairie near Mortlach.

The cause of the phenomenon, last seen in 1910, has not been definitely determined, but a possible seepage of gas is the only explanation which seems to hold water.

Until 1890 "twisting fire" was rated as one of the Indian folk stories of imagination. In that year there was a devastating prairie fire, and the late T. D. Watson was the first white man to actually see it.

Heard for Miles

According to Mr. Watson, a column of fire rose 300 feet or more in the air twisting as it rose, and the roar could be heard for miles. The phenomenon was witnessed 10 years later by a number of the early farmers of the district, and again in 1910, when W. T. Scott, manager of the Beaver Lumber Co. at Mortlach actually took a picture of the column of fire from a distance of five miles.

The fire column rose on what is known as the Billie Webber homestead, and in 1910 Mr. Webber with H. Carlson, now of Moose Jaw, were in the Webber shack, about 400 feet away when a prairie fire ignited what is believed to be a seepage of gas. From that day, the incident has been known as the "Red Cyclone." There are farmers still in the district who will tell of unhitching their horses from the farm implements, and rushing them to the stables, believing the occurrence was a cyclone of fire travelling toward them.

Burned for an Hour

On each occasion this column of burning gas rose and fell twice, burning itself out in about an hour's time.

Recently Karl Jaegar of Old Wives, who also saw the disturbance of 1910 consulted a geologist, who advised him it was unquestionably a seepage of gas, at the top of a dome, and that it is reasonable to suppose that underneath there is a deposit of gas or oil.

Last week Mr. Jaegar came to Regina and obtained rights from the department of natural resources for petroleum and natural gas. Mr. Jaegar's friends have also filed on adjacent property, and within a few weeks the Red Cyclone Syndicate will commence to make arrangements for digging a well on the exact site of the column of fire.

Examination of the ground shows it to be baked clay, something like brick, and even during the best growing years along what is known as the "bench," this spot on the Webber homestead never even grew a blade of grass.

Boom Making

Mine Output Final Test of Market

What makes a market boom in mining stocks?

The answer to this question, of course, would entail a long and complex study of psychological, economical, and geological factors.

Boiled down, however, for any market boom to be on firm ground at all, the actual mines (a feature of the mining market which many speculators appear to forget) must be producing the goods.

That the present mining boom has at least some justification in production, can be seen by noting the achievements of the various metals and non-metals produced by Canada last year. Here is what happened to these minerals in 1936:

Gold production set a record, and exceeded 1935 output by 13%.

Nickel output was also at an all time high, and mounting to new peaks as 1937 opened.

Lead set a record for volume of production.

Zinc also set a record for production.

Platinum group production was at a peak, and Canada is now officially recognized as the world's chief producer of platinum.

Coal production was the greatest since the boom year of 1929.

Asbestos production exceeded that of any pervious year.

Salt production was at a new peak, and exceeded 1935 output by 7%.

Gypsum production increased 46% over 1935.

Structural materials, reflecting improved conditions, had the best year since the depression started.

Push Development At Golden Summit

Golden Summit Mines, operating at Sesekinika, Kirkland Lake district, reports that up to the present only 20% of the property has been explored, but further work will be carried on intensively by a prospecting crew during the open months. There is a small test mill on the property, and two gold shipments were made to the mint during late 1936. F. A. Brandt, president and managing director of Algoma Summit Mines, has been added to the board of directors.

To Survey Central Duverny

Central Duverny Gold, in Duverny twp., Quebec, has contracted for a complete geophysical survey of the property. This will begin March 1. Diamond drilling is now in progress.

Gold Production

In Fine Ounces

	*1935	*1936
North America:		
United States	3,115,514	3,713,000
Canada	3,280,457	3,738,000
Mexico	682,257	782,000
Newfoundland	12,000	12,000
Totals	7,090,228	8,245,000
Central America	150,000	170,000
South America	1,321,000	1,500,000
Europe:		
Russia and Siberia	‡5,831,106	†7,289,000
Other Europe	771,000	850,000
Totals	6,602,106	8,139,000
Asia:		
British India	324,816	330,000
East Indies	63,000	65,000
Japan and Korea	871,000	958,000
Philippines	430,655	600,000
China and others	348,000	383,000
Totals	2,032,471	2,336,000
Oceania:		
Australia	890,214	1,099,000
Fiji	2,000	3,000
Tasmania	8,342	9,000
New Guinea	275,000	315,000
Papua	7,000	9,000
New Zealand	168,312	183,000
Totals	1,350,868	1,618,000
Africa:		
Transvaal	10,776,684	11,339,000
Rhodesia	728,280	803,000
West Africa	395,743	523,000
Congo, Egypt, etc.	833,300	858,000
Totals	12,734,007	13,523,000
Totals for world	31,280,680	35,531,000
Total value, 1935, $35=1 oz.	$1,094,823,800	
Total value, 1936, $35=1 oz.	$1,243,585,000	

*Data for 1935 revised to date and 1936 estimates based largely on ten months production, by H. N. Lawrie.

‡Based on Soviet press reports and probably includes 500,000 oz. recovered from ores, concentrates etc., sent to the United States for refining in 1935.

†Based on Soviet press reports and probably includes 300,000 oz. recovered from ores, concentrates, etc., sent to the United States for refining in 1936.

Report Progress At Big Missouri

At the Big Missouri Mine, in the Portland Canal Division of B. C. and under development by Consolidated Mining & Smelting Co. the Pilot Tunnel to the mill excavation has been completed, and work on the excavation itself has been started. Work was resumed in the 2,701 crosscut and crosscutting advanced 129.5 ft. during the month. On the 2,700-ft. level work has returned encouraging assays, according to Gustave H. Rainville, president of Big Missouri Mines, Corp. Approximately 75 ft. in the crosscut averages .18 ounces in gold and .60 in silver.

Lake Geneva—a lead-zinc property in the Sudbury area of Ontario, and controlled by Towagmac Exploration Co. will be reopened, following a recent examination, it is reported. A mill of 100-ton capacity was built in 1931, but owing to the base metal market, operations have been indefinitely delayed.

Delnite Mines—Sylvanite's Porcupine subsidiary, reports that a new 200-ton mill is almost completed. By June 1 it is expected that machinery will be installed and the mill treating 100 tons daily.

Bousquet Gold Mines — reports that a broken crankshaft in the main Diesel plant has forced the temporary suspension of milling operations. It is expected that repairs will be completed shortly.

Aztec Mining Co. — formerly B. R. X. Gold Mines has been posted for trading under the new name on the mining section of the Toronto Stock Exchange.

BRITCANA GOLD MINES
LIMITED

A Property With Its Early Stages of Development and Diamond Drilling Well Advanced

WELL PROSPECTED AND EXAMINED — This property has been prospected, surveyed and developed to a stage where 6 veins have been opened up for a total length of over 1,000 ft.

DRILLING CONTRACT OF 5,000 FT. COMPLETED — A total of 37 diamond drill holes has been put down, 27 of which were on veins No. 1 and No. 2, proving depths from 50 to 500 ft. with assays of good commercial value.

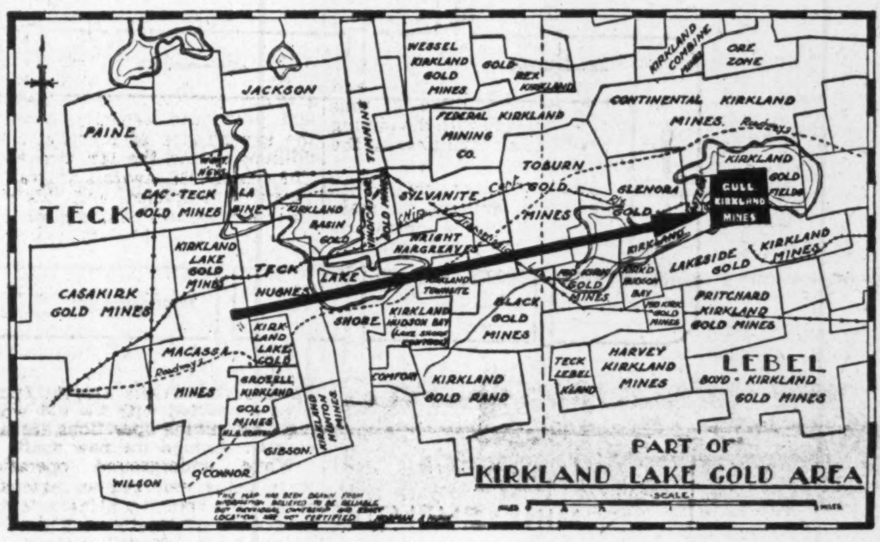
DRILLING EXPLORATION CONTINUING — The Company is continuing its drilling campaign, and on the recommendation of the Company's engineer, shaft sinking has commenced.

Taylor S. Pennington & Co. Limited
INVESTMENTS
80 King Street W. Toronto ELgin 3197

DIAMOND DRILLING
Campaign Now Under Way
On the Property of
GULL-KIRKLAND
MINES LIMITED
(No Personal Liability)

LOCATED: in the famous Kirkland Lake gold camp, in close proximity to Glenora on the west; Continental Kirkland on the north; and adjoining Lakeside Kirkland on the south.

Development Program under the Direction of
MINING RESEARCH CORPORATION
LIMITED



So many investors have communicated with us regarding the possibilities of

GULL-KIRKLAND

developing into a profitably producing mine, that, in all honesty we have been forced to reply that frankly — we don't know, but, we do know GULL-KIRKLAND has the same opportunity as had Kirkland Lake Gold, Lake Shore, Wright-Hargreaves, Macassa and others along this line of strike when they were in the same stage of development as is GULL-KIRKLAND at the present time.

WE ARE ACTING ON THIS ADVICE

- "Because of the geographic location of your property, being surrounded by either operating or developing mines, there is no question but every effort should be put forth to determine definitely if any of the structure which has been found to carry ore, crosses this ground."—(S. Power Warren, Vice-President, Mining Research Corporation Limited—December 10th, 1936.)
- "We feel that the geographic location of your property, plus the structural conditions shown by the surface exploration and the data of structure reported in former diamond drilling records, warrant a further drilling campaign of approximately 5,000 feet."—(S. Power Warren, Vice-President, Mining Research Corporation Limited—January 30th, 1937.)

We Consider the Shares of this Company Have Unusual Speculative Possibilities

CAPITALIZATION
Authorized - - - - - 3,000,000 shares, $1.00 par value
Issued - - - - - - 2,151,493 shares
In Treasury - - - - - 848,507 shares

—Now Quoted—
15c BID—OFFERED AT—17c
(Subject to prior sale, withdrawal or change in price without notice)

K. C. BALFOUR & CO.
200 BAY STREET - - - TORONTO
ADELAIDE 1351

K. C. BALFOUR & CO., ADelaide 1351*
200 Bay St., Toronto.

☐ Please send me further information on Gull-Kirkland Mines. Limited.

☐ Please enter my order for.................shares of Gull-Kirkland Mines, Limited, at the market. Enclosed find $............ on account—will adjust balance on receipt of confirmation.

NAME ....

ADDRESS .... F.P.

The Company having received payment or commitment to pay, the proceeds of this offering do not go into the treasury of the Company.

WRIGHT-HARGREAVES MINES LIMITED

LOCATION OF MINE
KIRKLAND LAKE, ONTARIO

EXECUTIVE OFFICERS
EDWIN LANG MILLER .... President
WILLIAM H. WRIGHT .... Vice-President
PHILIP H. GERHARD .... Secretary
GERARD F. MILLER .... Treasurer
M. W. SUMMERHAYES .... General Manager

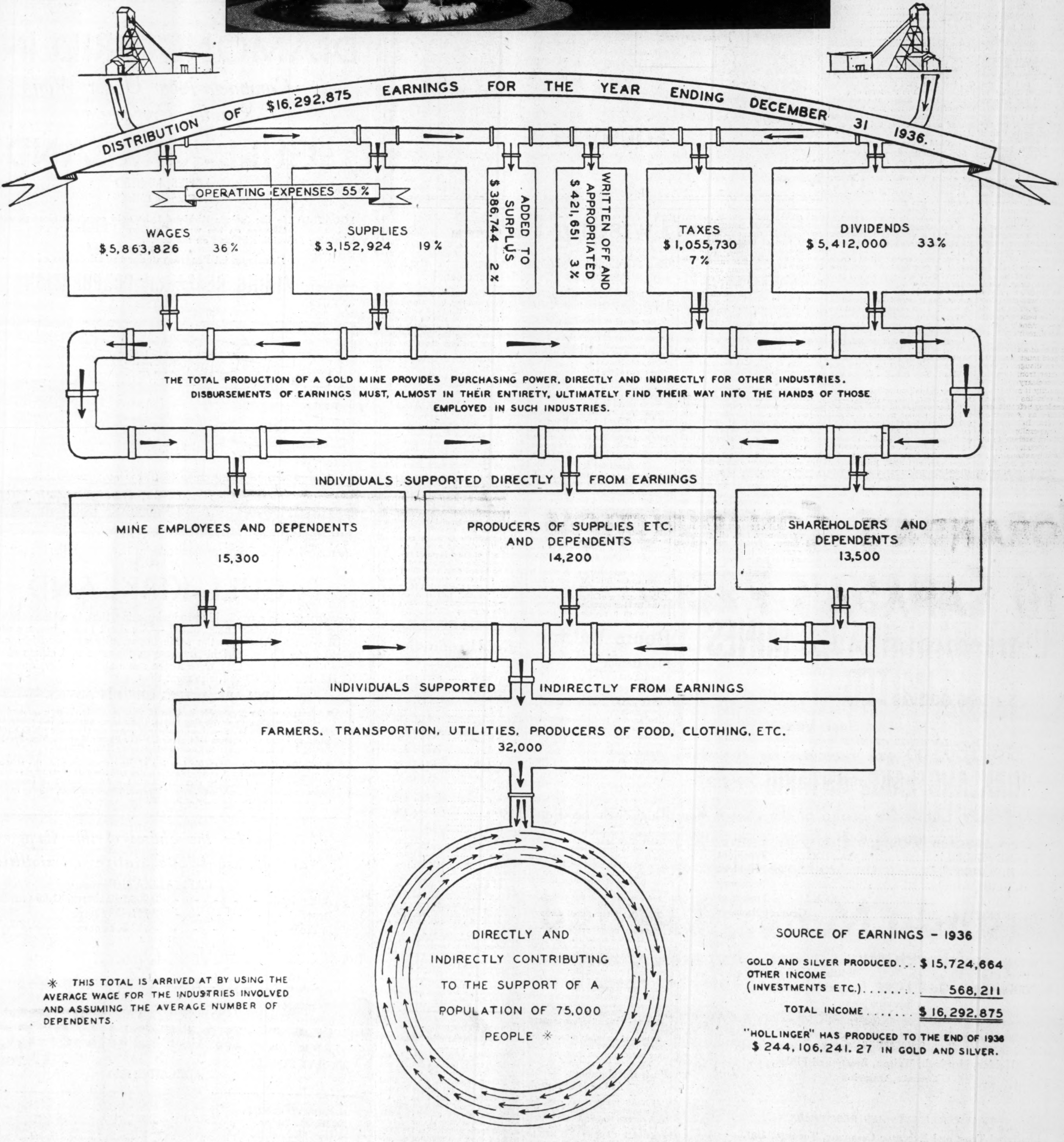
DIRECTORS
Edwin Lang Miller William H. Wright
Oliver G. Donaldson James Y. Murdoch
M. W. Summerhayes

SOLICITORS
Holden, Murdoch, Walton, Beatty and Finlay,
Toronto, Ontario

TRANSFER AGENTS AND REGISTRARS
Chartered Trust and Executor Company, Toronto, Ont.
Liberty Bank of Buffalo, Buffalo, N.Y.

AUDITORS
Edwards, Morgan & Co., Chartered Accountants,
Toronto, Ontario

THE CONTRIBUTION OF ONE GOLD MINE TO THE PROGRESS OF THE DOMINION OF CANADA


DISTRIBUTION OF $16,292,875 EARNINGS FOR THE YEAR ENDING DECEMBER 31 1936.
OPERATING EXPENSES 55%
WAGES $5,863,826 36%
SUPPLIES $3,152,924 19%
ADDED TO SURPLUS $386,744 2%
WRITTEN OFF AND APPROPRIATED $421,651 3%
TAXES $1,055,730 7%
DIVIDENDS $5,412,000 33%
INDIVIDUALS SUPPORTED DIRECTLY FROM EARNINGS
MINE EMPLOYEES AND DEPENDENTS 15,300
PRODUCERS OF SUPPLIES ETC. AND DEPENDENTS 14,200
SHAREHOLDERS AND DEPENDENTS 13,500
INDIVIDUALS SUPPORTED INDIRECTLY FROM EARNINGS
FARMERS, TRANSPORTION, UTILITIES, PRODUCERS OF FOOD, CLOTHING, ETC. 32,000

THE TOTAL PRODUCTION OF A GOLD MINE PROVIDES PURCHASING POWER, DIRECTLY AND INDIRECTLY FOR OTHER INDUSTRIES. DISBURSEMENTS OF EARNINGS MUST, ALMOST IN THEIR ENTIRETY, ULTIMATELY FIND THEIR WAY INTO THE HANDS OF THOSE EMPLOYED IN SUCH INDUSTRIES.

DIRECTLY AND INDIRECTLY CONTRIBUTING TO THE SUPPORT OF A POPULATION OF 75,000 PEOPLE ⁕

⁕ THIS TOTAL IS ARRIVED AT BY USING THE AVERAGE WAGE FOR THE INDUSTRIES INVOLVED AND ASSUMING THE AVERAGE NUMBER OF DEPENDENTS.

SOURCE OF EARNINGS - 1936

GOLD AND SILVER PRODUCED . . .	$15,724,664
OTHER INCOME (INVESTMENTS ETC.)	568,211
TOTAL INCOME	$16,292,875

"HOLLINGER" HAS PRODUCED TO THE END OF 1936 $244,106,241.27 IN GOLD AND SILVER.

HOLLINGER CONSOLIDATED GOLD MINES LIMITED

MINE AND HEAD OFFICE - - - - - - TIMMINS, ONTARIO

Future of Gold Is Key Problem for Investors

Gold Seems Firm At $35 Per Ounce Unless War Comes

Investors Are Advised to Guard Against Talk of Higher Prices in Immediate Future — Juniors Fortunate

By C. W. STOLLERY

The effects of the rise of gold to $35, on gold mining and on values for gold shares, have been so startling that the fact is often overlooked that, for more than 200 years prior to the recent rise, the price of gold was practically a fixed quotation.

Gold mining and gold shares have, in fact, been stimulated by a deliberate inflation in the price of the product without corresponding increases in costs. The rise of gold from $20.67 to $35 an ounce represented an increase of nearly 70% in the price that had prevailed prior to suspension of the gold standard by Great Britain in 1931.

Costs of production have not yet risen materially. The effect, therefore, has been to lengthen the life of older mines as well as increasing their profits. And the higher price for gold has made the development of new mines much less risky than before. Even if the price of gold does not fluctuate materially from the $35 level, that quotation should continue as a stimulus to mining for many years.

Three Possibilities

The striking effects of the recent rise have made the price of gold a popular topic for discussion. The three possibilities are either that the price will rise further; that it will decline; or that gold will remain stabilized around $35 an ounce. The latter seems probable, although a few serious thinkers are wondering whether the world will not eventually come to the belief that gold is not necessary as money thus bringing about a decline in the price of the metal.

The possibility of a further rise in the price of gold must be given consideration, even though it seems unlikely and is far from being either inevitable or necessary. In considering this possibility it should first be remembered that the price of gold was stabilized long before there were such currencies as American and Canadian dollars. In 1663, the fixed price of gold was established in England at approximately 80 shillings and 9 pence an ounce. This was raised to approximately 84s. 10d. in 1717, and stayed around that level, excepting only periods of war or economic stress, until one Roosevelt, president of the United States, stabilized the price at $35 an ounce in 1934. This has raised the price in London to approximately 142 shillings. Thus, in comparison with the changes of the preceding 370 years, the price established for gold in 1934 represents an enermous rise. There is still authority for Mr. Roosevelt to raise gold to $41.34 an ounce, but it hardly appears likely to be used.

Credit Expansion

Gold is a monetary metal, and the ultimate influence of the rise in price upon world credit conditions may be of far greater importance than the effect upon gold mining alone. In 1933 the value of total stocks of monetary gold in 50 countries was $11,930 millions. Largely because of the increase in the dollar value, these gold stocks totalled $21,800 millions in 1936. With production rising, the supplies of monetary gold may soon attain twice the dollar value of 1933.

Consider what this means if gold continues to constitute the basis of credit on an international scale. It would allow a doubling of the money and credit of the occidental world with pronounced inflationary effects on an international scale. From the monetary point of view it is therefore safe to say that the rise in value of gold has gone far enough, and perhaps considerably too far.

In connection with the possibilities of an international gold inflation, there is a fairly common belief that if inflationary uptrends are coming in prices for food, clothing, and similar commonplace necessities then it will also be necessary to raise the price of gold again. There is no ground for this belief. In fact it is partly the rise in the price of gold which may cause inflationary developments. And to forestall the dangers of an international inflation there is more reason for reducing the value of gold than for increasing it.

Effects of Wars

There are two possible causes for a further rise in the price of gold:

1. Renewed international competition to depreciate currencies;
2. War.

Neither seems probable. Agreement between Great Britain, France and the United States on maintenance of currency stability naturally implies cessation of currency depreciation. The powers have in effect agreed that further currency depreciation is dangerous and should be halted by international control.

As to war, it would appear to be the most likely cause of further appreciation in the value of gold. In times of war gold becomes valuable to pay for the materials necessary for battle, because other forms of payment are often impossible or not acceptable. And the depreciation of currencies that inevitably accompanies war might well result in higher values for gold in terms of paper money.

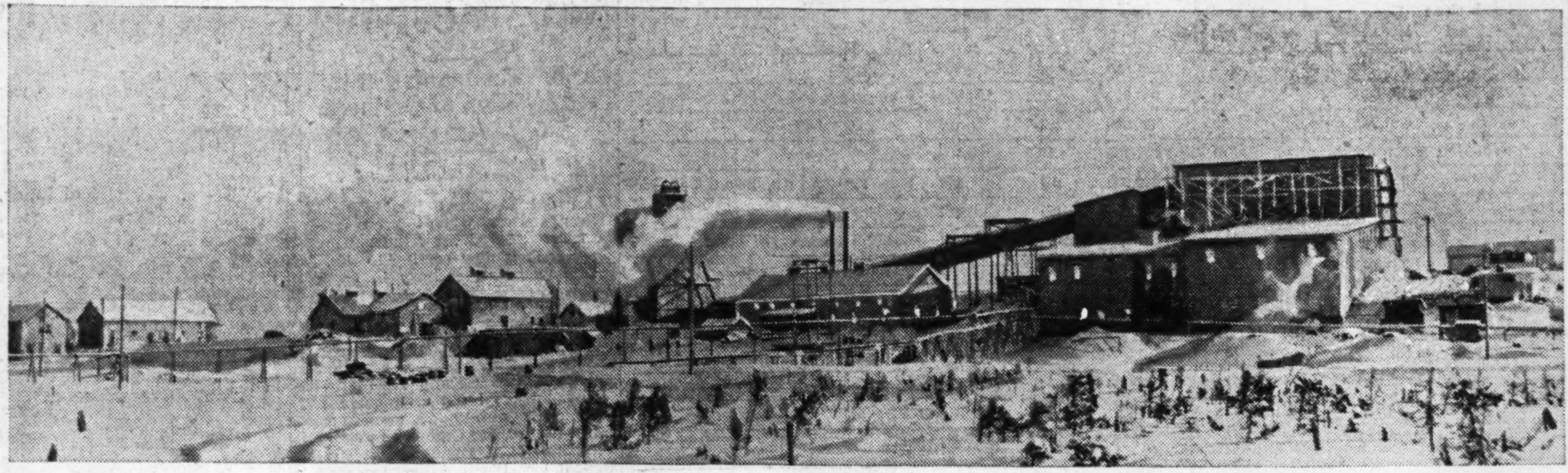
Market for Gold

Only a few long-range thinkers seem to be concerned over the possibility that gold may ultimately depreciate in value. Their apprehensions are based on the thought that gold is not indispensable to the world, and that if governments ceased to buy it for monetary purposes there would be comparatively little sale for the metal. In 1936, the only major accumulations of gold were made by the U. S. treasury. The British financial system showed greater holdings of gold in the year, but this was partly due to disclosure of previous purchases as well as to new acquisitions. The countries which produce the largest quantities of gold are sellers. South Africa gets rid of its gold as fast as the mines produce it. So does Soviet Russia. So does Canada.

Gold has been flowing rapidly into the United States. And the Washington treasury continues to buy it at $35 an ounce with the result that the United States now possesses more than half of all the monetary gold in the world. It is not being used but is being "sterilized" in the banking system and stored away in vaults. The gold produces nothing and simply constitutes a noninterest-bearing investment.

It is implicit in the world shipments of gold to the United States that other countries have no immediate use for the metal and send it to Uncle Sam because he will take it. In other words, there are many countries that have no use for

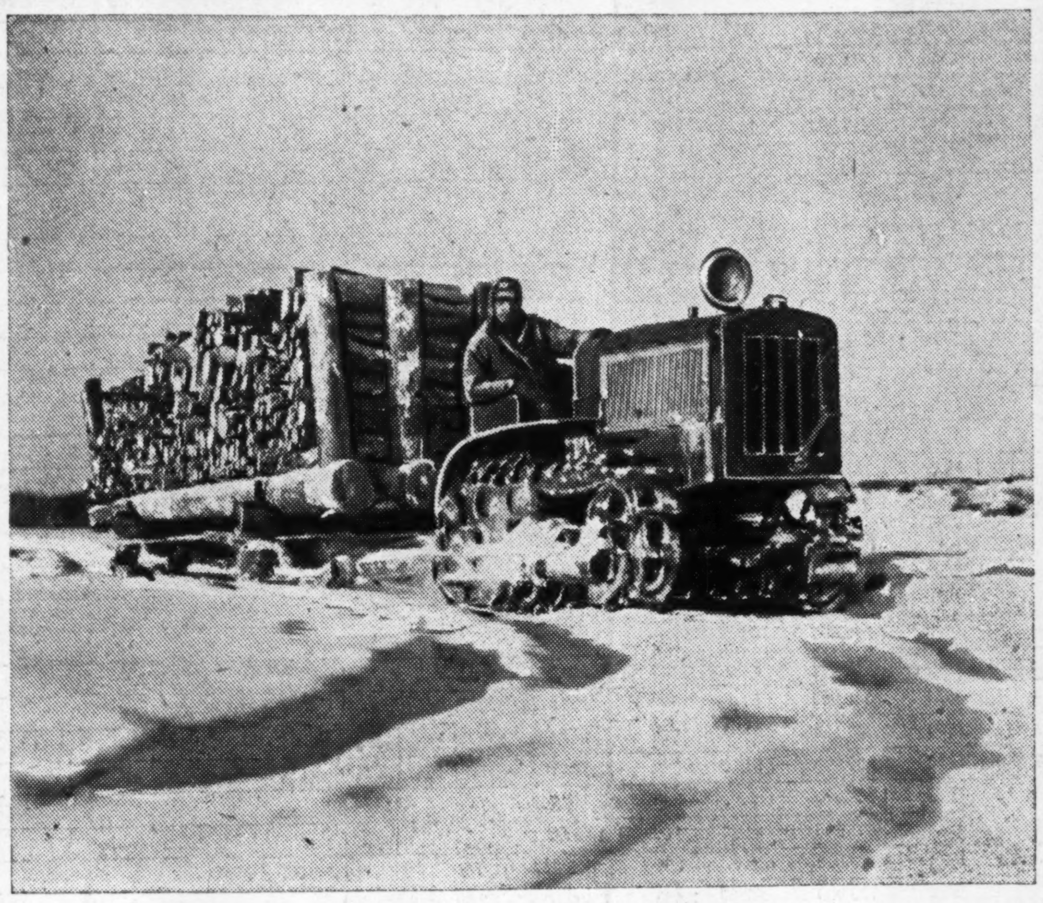
(Continued on page 39)



"SHE'S A SWEET LITTLE MINE"

In such terms does John E. Hammell, president of the company, refer to Pickle Crow Gold Mines, in the Patricia district. Since coming into production on April 17, 1935, this property has proved itself to be one of the highest grade operations in Canada, recovery per ton averaging over $30. In its short lifetime to date, this property has produced about $2.5 millions in gold and paid dividends of $600,000. At the present time capacity of the mill is being increased to 400 tons per day, which tonnage, it is expected, will be available early in March. Lateral work is being carried out to the 12th level, or 1,200 ft. in depth.

Possibility of further continuation at depth is considered by officials to be good. No detailed estimate of ore reserves has been made, but some months ago it was estimated that at a milling rate of 150 tons, a supply of ore sufficient for five years operation had been indicated. Total costs in the 1935 fiscal period were $12.67 per ton, leaving a profit margin of around $18 a ton.



WHIPPING NATURE INTO SHAPE

The job of harnessing the wild northland, and making it one of Canada's great producing areas, is a man's job. Weather conditions, topography and geographical difficulties must all be overcome before this source of wealth can be tapped. One of the humble but effective heroes of this campaign against environment has been the lowly tractor. In the photograph above, one of these sturdy machines is shown hauling a three-cord load of wood to Argosy Gold Mines.

Coal Industry Turns Corner Output Rises

Fuel Oil Still Bugbear of B. C. Operators — Seek Relief

From Our Own Correspondent

VANCOUVER. — After years of declining sales and waning production British Columbia's coal industry has turned the corner. Almost every month witnesses increased output at the mines of Vancouver Island and the interior.

The mountain coal operators are extending their market farther east than ever before, and a considerable volume of B. C. coal is being sold today in Winnipeg, partly due to the Goverment's subvention and partly because the coal people have entered into an agreement whereby they take back a large proportion of the coke produced in gas plants using B. C. coal, and market the coke independently.

Coal in Fourth Place

Coal is now back in fourth place in value of production in British Columbia's mine list. Last year it displaced silver.

Total production was 1,335,000 tons, valued at $5,673,750, compared with 1,187,968 tons in 1935, when the value was $5,048,864.

This is a long way from the peak year, however. In 1920, for instance, the total volume of coal mined in British Columbia was 2,858,877 tons, with a value of $16,726,950. The decline set in afterward, with a steady drop from year to year until arrested last year.

The bugbear of the coal industry is competition of foreign fuel oil, and British Columbia coal interests have been agitating for years for an increased levy on this import. Transportation companies, office buildings and apartments continue to turn to oil for fuel, and recently a great many oil installations have been made in private dwellings, resulting in curtailment in demand for coal. Coal men contend there is a difference between fuel requirements of British Columbia and coal used of over 800,000 tons a year.

Communities Suffer

The situation has resulted in great loss to what were a few years ago thriving communities based on the coal industry. This applies especially to the Vancouver field, where for 85 years Nanaimo has been famed as a coal port. Half a century ago Nanaimo was shipping coal up and down the coast as far south as the Mexican line. As recently as 1920 Nanaimo and district had a payroll of $6.5 millions, but the payroll has shrunk since then to $2 millions.

NORANDA'S CONTRIBUTION TO CANADA'S PROGRESS

$22,000,000.00 has been paid to employees in wages since 1926.

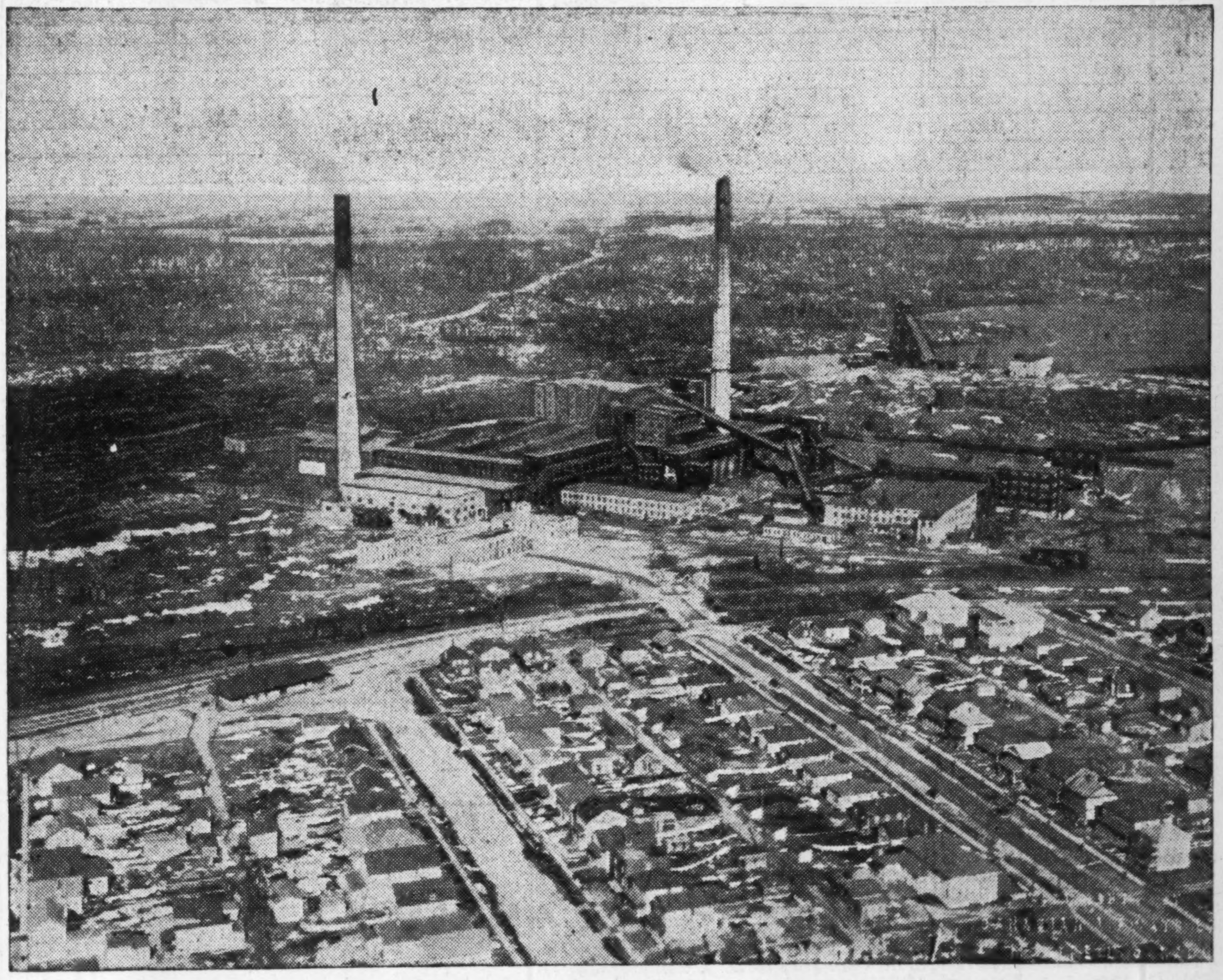
$3,000,000.00 worth of supplies were purchased last year.

$990,000.00 was received by the Railways for freight and express charges.

Noranda Mines, Limited is proud of the part it has played in making the Canadian Mining Industry the indisputable bulwark it has been to the Dominion in latter years.

Noranda Mines, Limited

Mine and Purchasing Offices - Noranda, Quebec
Executive Offices - - Toronto, Ontario



Above—The plant of Noranda Mines today—One of Canada's greatest mines.

Below is a view of the original site of Noranda Mines taken not much more than a decade ago. From this simple beginning have sprung the growth and development depicted above.

Canada's Gold Mines at a Glance

MINE	Location	Production started	Cap. issued	Par	Capacity Tons	Gross production 1936 $	Dividends Per Share 1936 $	Dividends Paid to end of 1936 $	Remarks
British Columbia:									
Bralorne	Bridge River	1932	1,240,000	n.p.v.	458	2,283,000	0.45	1,383,000	
Cariboo Gold Quartz	Cariboo	1933	1,333,309	$1	200	558,810	.10	133,331	Fire suspended mill Mar. 1-June 30
Dentonia	Greenwood	1934	1,442,947	n.p.v.	100	450,000	nil	nil	
Island Mountain	Cariboo	1934	1,050,716	n.p.v.	110	631,766	.10	105,100	
Kootenay Belle	Kootenay	1934	675,200	$0.50	125	*240,000	nil	nil	New 125-ton mill started Oct., 1936
Minto Gold Mines	Bridge River	1934	2,700,000	n.p.v.	110	*290,000	nil	nil	
Nicola	Nicola	1933	3,837,876	n.p.v.	100	†	nil	nil	Control transferred Jan., 1937.
Pioneer	Bridge River	1928	1,751,750	$1	500	2,430,000	0.80	5,392,991	
Premier	Portland Canal	1919	5,000,000	$1	400	*1,300,000	0.16	19,358,070	Now holding company.
Relief Arlington	Erie, B.C.	1935	3,000,000	$1	75	†	nil	nil	Controlled by Premier.
Reno Gold	Nelson	1929	1,880,000	$1	140	961,820	0.12	472,840	
Sheep Creek Gold	Sheep Creek	1935	1,875,000	$0.50	150	*575,000	.04	75,000	
Ymir Yankee Gold	Nelson	1934	2,225,005	n.p.v.	100	*475,000	.05	111,250	
Ymir Consol.	Nelson	1935	2,025,000	n.p.v.	100	†	nil	nil	
Manitoba:									
Central Manitoba	Cent. Manitoba	1927	4,586,372	$1	150	444,000	nil	nil	
God's Lake	God's Lake	1935	3,500,000	n.p.v.	150	*657,700	nil	nil	
Gunnar Gold	Cent. Manitoba	1936	2,564,131	$1	150	378,565	nil	nil	Mill started May, 1936.
Laguna	Herb Lake	1936	2,717,005	$1	60	164,700	nil	nil	Mill started Aug., 1936.
San Antonio	Rice Lake	1932	2,315,920	$1	325	1,300,000	.14	324,228	
Ontario:									
Algold	Goudreau	1936	2,200,000	n.p.v.	100	....	nil	nil	
Anglo-Huronian (Vipond)	Porcupine								
Argosy	Patricia	1936	2,849,938	$1	125	....	nil	nil	
Bidgood	Kirkland Lake	1934	3,571,715	$1	100	*300,000	nil	nil	
Bousquet	Sudbury	1936	2,300,000	$1	50	*120,000	nil	nil	
Buffalo Ankerite	Porcupine	1926	701,679	$1	900	1,892,095	.25	409,203	
Central Patricia	Patricia	1934	2,500,000	$1	180	1,144,175	.08	200,000	
Coniaurum	Porcupine	1928	2,717,947	n.p.v.	400	*1,400,000	nil	80,923	Dividend paid in 1932.
Darwin	Michipicoten	1935	2,819,053	$1	50	*230,000	nil	nil	
Dome	Porcupine	1910	953,334	n.p.v.	1,500	7,234,390	4.00	29,899,622	
Gillies Lake	Porcupine	1928	1,560,000	$1	100	*178,000	nil	nil	
Hollinger	Porcupine	1910	4,920,000	$5	8,000	14,152,356	1.10	80,616,400	
Howey	Red Lake	1930	5,000,000	$1	1,500	1,239,134	.02	850,000	
Hudson Patricia	Patricia	1936	2,250,000	$1	50	*200,000	nil	nil	Hampered by lack of power.
J. M. Consolidated	Patricia	1934	3,500,000	$1	100	*133,871	nil	nil	
Kirkland Lake	Kirkland Lake	1919	5,239,123	$1	200	745,489	.06	628,696	
Lake Shore	Kirkland Lake	1918	2,000,000	$1	2,500	15,852,169	5.00	49,020,000	
Little Long Lac	Little Long Lac	1934	1,833,000	n.p.v.	300	*1,540,000	.30	549,900	
Macassa	Kirkland Lake	1933	2,678,068	$1	200	1,237,071	.15	1,063,727	
Matachewan Consol.	Matachewan	1934	3,300,000	n.p.v.	300	418,587	nil	nil	
McIntyre Porcupine	Porcupine	1912	798,000	$5	2,400	8,403,602	2.00	2,985,000	
McKenzie Red Lake	Red Lake	1935	2,900,000	$1	140	743,377	.07	203,000	
Morris Kirkland	Kirkland Lake	1936	2,387,009	$1	100	nil	nil	nil	Mill started November.
Northern Empire	Beardmore	1934	341,000	$1	150	*1,100,000	nil	nil	Newmont subsidiary.
Omega	Larder Lake	1936	5,000,000	$1	500	490,000	nil	nil	
Pamour	Porcupine	1936	5,000,000	$1	500	693,356	nil	nil	
Parkhill	Michipicoten	1931	2,330,000	$1	100	336,372	nil	nil	
Paymaster	Porcupine	1934	8,404,000	$1	500	976,618	nil	nil	
Pickle Crow	Patricia	1935	3,000,000	$1	400	1,607,450	.20	600,000	
Red Lake Gold Shore	Red Lake	1936	4,500,000	n.p.v.	125	159,500	nil	nil	Mill started August.
Ross (Hollinger)	Hislop	1936	....	..	75	*250,000	nil	nil	Hollinger operation.
St. Anthony	Thunder Bay	1934	3,300,000	$1	150	*140,000	nil	nil	Milling suspended Nov., 1936.
Sylvanite	Kirkland Lake	1927	3,299,500	$1	450	2,200,000	.20	2,672,598	
Tashota	Thunder Bay	1935	3,263,348	$1	70	*288,000	nil	nil	
Teck-Hughes	Kirkland Lake	1917	4,807,144	$1	1,300	*4,750,000	.45	26,124,934	
Toburn	Kirkland Lake	1932	1,850,000	n.p.v.	100	719,217	.08	444,000	Premier subsidiary.
Wright-Hargreaves	Kirkland Lake	1921	5,500,000	n.p.v.	1,100	7,538,553	.60	20,741,961	
Young Davidson	Matachewan	1934	1,427,508	$1	800	*770,000	nil	nil	Hollinger subsidiary.
Quebec:									
Arntfield	Rouyn	1935	2,746,780	$1	190	*300,000	nil	nil	Controlled by Arntfield Synd.
Beattie	Rouyn	1933	4,788,195	n.p.v.	1,400	*1,970,000	.05	239,410	
Canadian Malartic	Malartic	1935	3,326,855	n.p.v.	400	*727,000	nil	nil	
Greene Stabell	Harricanaw	1933	3,000,000	$1	125	*312,000	nil	nil	
Lamaque	Bourlamaque	1935	3,000,000	n.p.v.	550	*2,700,000	nil	nil	Teck-Hughes subsidiary.
McWatters	Rouyn	1934	1,860,506	n.p.v.	100	585,000	.10	278,826	
Noranda	Rouyn	1927	2,239,772	n.p.v.	3,000	*17,885,000	3.00	28,222,037	Production includes copper.
O'Brien	Cadillac	1934	3,250,000	$1	150	1,200,000	nil	nil	
Perron	Pascalis	1934	2,000,000	$1	350	*500,000	nil	nil	Mill increased 1937.
Shawkey	Dubuisson	1936	3,400,000	$1	125	267,558	nil	nil	
Siscoe	Harricana	1929	4,610,065	$1	450	2,428,570	.21	3,990,955	
Stadacona	Rouyn	1936	3,500,000	n.p.v.	200	....	nil	nil	Mill started October.
Sullivan	Harricana	1934	4,000,000	$1	140	*610,000	nil	nil	
Thompson-Cadillac	Cadillac	1936	2,450,000	$1	80	123,740	nil	nil	

* Estimated. † Not available.

Porcupine McNabb To Explore 1,000 Acres

Porcupine McNabb Gold Mines in Macklem twp., Porccupine mining district, plans exploration until late spring of approximately 1,000 acres extending to the shore of Night Hawk Lake on the west. Surface work disclosed about 2,000 ft. of vein system in varying widths, and approximately $20,000 has been spent on the property to date.

Sladen Malartic Mines Disposes of More Shares

From Our Own Correspondent

MONTREAL. — Sladen Malartic Mines has issued an additional 60,000 shares at 65 cents a share under the terms of the option agreement, leaving a balance of 40,000 shares in the same price block. A total of 2,237,010 shares is now outstanding in the hands of the public, exclusive of escrowed stock.

Field Deserted For Klondyke Now Reviving

Large Companies Start Exploration of Omineca Area

IN NORTHERN B. C.

An old British Columbia goldfield abandoned when the first word of riches started the famous Klondyke rush is now coming to life.

The Omineca territory in northeastern British Columbia was tapped by early mining pioneers in 1870. It was a rich placer bed but far fields looked greener or more golden and the opening of the Klondyke left it practically deserted.

Today there is an unprecedented influx of big mining companies concentrating on the Omineca territory, according to F. Doncaster, Western Canada Construction Company manager, who recently surveyed the field.

Indication of revived interest in the old field has been shown by increasing number of requests for information pouring into the Alberta and North West Chamber of Mines, at Edmonton.

Prospects Said Good

With more than 18 large companies actively interested in the area and prospect of stimulated activity in the spring, there was a good possibility that the Omineca area would become a prominent source of mineral wealth in the north, officials of the chamber believe.

Fort St. James, once-thriving headquarters of a humming mining field, was practically deserted when the call of the Klondyke came. Renewed activity would prove a boon, not only to northern British Columbia, but also to Edmonton which was on the aerial tap line to eastern centres, the mines chamber manager believed.

Evidence of the wealth in placer gold to be found in the area, Mr. Doncaster displayed a three-ounce nugget he had picked up in the course of his survey. Its value was about $75, he estimated.

"But that's nothing," he hastened to add. "Not long ago, a miner picked up a two-pound nugget . . . and most of the gold is pure and heavy."

Hydraulic Mining

Using hydraulic apparatus, large-scale operators have been able to flush out old stream beds, some of them buried far below the surface where heavy gold deposits had been laid down centuries ago, the prospector explained.

Danger that Vancouver rather than Edmonton might reap the indirect benefits of tapping the rich area was seen in the fact that British Columbia Government had built a road to Vanderhoof and Fort St. James, just a few hours by air from the scene of mining operations, he said.

SERVING THE MINING INDUSTRY
as
REGISTRAR
for the issue, registration and transfer of company shares. Prepared to act as depository, trustee or secretary.
MANAGER
of funds, bond issues and of properties in liquidation.
AGENT
under Escrow or Pooling arrangements.
TRUSTEE
under mortgages.
Your enquiry, either verbal or through correspondence, will be given prompt and courteous attention.
CAPITAL TRUST
Corporation Limited
TORONTO OTTAWA MONTREAL

STRUCTURAL STEEL
Because of our wide experience and exceptional plant equipment, we offer a complete service in the design and fabrication of all types of structural steel. Quotations promptly furnished either to your engineer's specifications or with our own recommendations.
CANADIAN VICKERS LIMITED
HEAD OFFICE: MONTREAL
NEW GLASGOW TORONTO WINNIPEG
DRUMHELLER EDMONTON VANCOUVER

ROOFING • Built-up Roofs, Asphalt Shingles, Etc.
INSULATION • INSUL-BOARD . . . moisture proof insulating board
FLOORING • Colored Tile Flooring . . . Industrial Flooring
BP BUILDING PRODUCTS LIMITED
MONTREAL TORONTO HAMILTON
WINNIPEG ST. JOHN, N.B. HALIFAX

ANALYSES and ASSAYS
of ores and all of those industrial materials that are used by the mining industry — waters, metals, paints, oils, reagents, etc.
MILTON HERSEY COMPANY LIMITED
Industrial Chemists
Assayers
MONTREAL WINNIPEG

Invitation to Security
The engraved invitation traditionally suggests an important occasion.
Similarly your bonds and stock certificates should mirror the prestige of your firm and the equities in value and integrity behind your securities.
But your monetary documents should do more. They should protect your company and your shareholders against the counterfeiter.
And that is where our skilled engraving becomes an invitation to security for you because quality engraving is the only basic safeguard against the forger.
This is especially important with mining stock certificates because of their usually wide distribution in the hands of the public.
Over 100 years of knowing how and the acknowledged world's finest "vignette" engravers are behind your today's purchase of our skill.
May we meet your mining stock certificate needs— safely, swiftly and with true economy—in 1937
CANADIAN BANK NOTE COMPANY
Limited
HEAD OFFICE AND WORKS OTTAWA
BRANCH OFFICES TORONTO MONTREAL

Balance Sheets and Laymen

Some Popular Misconceptions and Constructive Suggestions For Clarification

By R. G. H. SMAILS C.A.
In The Canadian Chartered Accountant

It is probable that nine out of ten laymen still think of a balance sheet as a valuation statement, and that the tenth, when disillusioned on this point, concludes that accountants and auditors are engaged in a grand conspiracy to bamboozle the public. For there is a neatness and finality about the exact equality of the two sides of a balance sheet (e.g. the $247,643,012.02 of International Paper Company) which raises in the lay mind presumptions which are as understandable as they are false.

It is all very well for the accountant to know, and occasionally (but usually only in a professional journal) to say, that the balance sheet reflects a combination of recorded facts, accounting conventions and personal judgments. The layman who had been let into the secret thus far would still quite excusably ask why the balance sheet was not a statement of literal fact concerning the condition of a business.

The stumbling block, of course, is the convention in regard to fixed assets. Current assets and all liabilities are "valued" and the figures at which these classes of items are shown are intended to represent and do in fact represent approximately the realizable and the redemption value of the respective groups. It is true that convention and opinion are factors in the valuation of both of these groups — and especially of the current assets — but the convention and the opinion involved here are not of a kind to lead to the discomfiture of a layman who is relying on a balance sheet as a valuation statement.

Fixed Assets

Very different, however, is the situation with respect to fixed assets. The accounting convention is that these shall be set out at original cost less depreciation to date, or in other words at the original cost of the serviceability which remains in them. This means for example that a machine which cost $11,000 has a life of ten years and an estimated scrap value of $1,000 will be presented in the balance sheet at $10,000 at the end of the first year, $9,000 at the end of the second and so on. This is so regardless of the subsequent value in exchange of that machine which may be either $20,000 or five cents at the end of the first year for all the accountant cares or the balance sheet tells.*

The adoption of this convention for the presentation of fixed assets means that a balance sheet will show the worth of the undertaking to which it relates only if there has been no devaluation of the monetary unit, no change in the price level from other causes, no improvements in the relevant industrial arts and no flux in the position of the industry relative to other industries since those assets were installed. It can safely be said that these conditions (which characterize a completely static society) are never satisfied and that accordingly the figure which accountants term "Net Worth" on the balance sheet is not "worth" at all.

Current Valuation

Confronted with this situation the layman would argue that the accountant should abandon his conventional statement of fixed assets at depreciated cost and should substitute current valuations which would presumably be furnished by professional appraisers. Actually however the situation is rather one which renders it questionable whether so technical a statement as a conventional balance sheet should be made available to the layman at all in respect, at least, to the affairs of an industrial as distinguished from a commercial undertaking.

For the layman's suggestion that fixed assets should be "valued" is impractical, first because it ignores the tremendous expense involved and secondly (and very much more important) because most fixed assets in situ possess no value (except as scrap) beyond the value attaching to them by virtue of their capacity to earn a profit. In other words since most fixed assets cease to be tangible values (except as scrap) the moment they are installed, any valuation of these fixed assets as tangibles, no matter how conscientious that valuation may be, is a senseless proceeding the result of which cannot have any significance.

Earnings are a function of plant and management so inextricably combined that neither has any existence or value independently of the other. The only thing susceptible to valuation is this combination of plant and management, and the only way to determine the worth of an undertaking is to project its net earnings into the future and, by discounting these earnings at the anticipated rate of interest, to determine actuarially their capitalized present worth.

This calculation does not involve any reference to a statement in balance sheet form and accordingly the stand may reasonably be taken that of the layman were denied access to a balance sheet he would be compelled to recognize that earnings were the only criterion of the value of a business. (Incidentally it may be remarked that this recognition would save the prospective investor from foolish reliance upon the "appraisals" which figure so prominently in the literature of new security issues.) It is to be noted that since the basis of the proposed calculation is projected earnings, not past earnings, the calculation takes into consideration any prospective change, either for better or worse, in the quality of the management.

Suppose for example that a company was formed five years ago with a capital of one million dollars the whole of which it sank in the acquisition and installation of fixed assets and that the company has broken exactly even on the operations of each of these five years. On the face of things, i.e. assuming a straight projection of these earnings into the future, the fixed assets of that company have no value except as scrap materials. But suppose the original management has been palpably defective and that under new management a normal profit could be anticipated. The undertaking then has a value equal to the present capitalized value of these anticipated earnings and could and should change hands, i.e. sell at that figure. But the fixed assets as physical objects are precisely the same whatever the projected earnings may look like; in other words their only value as tangibles is their scrap value and the only valuation that can properly be made by the methods of an appraiser is the scrap or break-up valuation.

If the validity of the foregoing argument is conceded then accountants with the interest of the layman at heart might well consider whether, since the conventional balance sheet cannot be mended, it should not be ended—so far as the layman is concerned.

In a recent address before the London members of the Institute of Chartered Accountants in England and Wales, Lord Melchett, head of the great Brunner-Mond chemical combine, urged that both capital stock and fixed assets (or, as he called them, "material wasting assets") should be set out on the balance sheet at merely nominal figures so that the investor would not be misled by these items but would be compelled to make his own valuation of a share by referring to its earning power.

Alternative Course

But an alternative course is available which would serve the purpose Lord Melchett had in mind without necessitating any change in established bookkeeping procedures. This is the adoption of a modified form of the "double-account" system as employed in British public utility accounting** (and to some extent in Canadian municipal accounting) by presenting a statement of receipts and expenditures on capital account showing on one side the proceeds of issue of securities of all kinds and on the other side the fixed assets purchased out of those proceeds. The "balance sheet" would then contain only the current assets, current liabilities, surplus and under or over-expended capital receipts. The method may be illustrated by adaptation of the published balance sheet (condensed) of a large Canadian industrial company.

THE X. OIL COMPANY LTD.
Balance Sheet in Conventional Form

Current assets	$ 6,186,975.92	Current liabilities	$ 1,377,460.70
Deferred charges	1,006,778.46	Mortgages	223,906.30
Properties	26,583,672.52	Bonds	9,360,000.00
Investments in subsidiary companies	918,415.79	Depreciation reserves	3,326,710.15
		General reserve fund	267,945.15
		Preferred stock	7,635,300.00
		Common stock	9,390,000.00
		Surplus (earned)	3,114,520.39
	$34,695,842.69		$34,695,842.69

STATEMENTS IN SUGGESTED FORM

I. Statement of Amounts Received and Spent on Capital Account

Spent		Received	
Properties acquired	$25,583,672.52	Issue of mortgages and bonds	$9,583,906.30
Investments in subsidiary companies	918,415.79	Sale of shares	17,025,300.00
	$27,502,088.31		
Less Recouped by depreciation charges	3,326,710.15		
	$24,175,378.16		
Excess of amount received over amount spent	2,433,828.14		
	$26,609,206.30		$26,609,206.30

II. Balance Sheet

Current assets	$ 6,186,975.92	Unexpended balance of capital receipts	$ 2,433,828.14
Deferred charges	1,006,778.46	Current liabilities	1,377,460.70
		General reserve fund	267,945.15
		Surplus (earned)	3,114,520.39
	$ 7,193,754.38		$ 7,193,754.38

Clarifying Terms

In the foregoing illustration the term "Balance Sheet" has been retained for Statement No II, but if this were thought likely to result in confusing association of ideas then some other term such as "Statement of Current Position" might well be substituted. Detailed information with regard to the capitalization of the undertaking would be omitted from Statement No. I and be given in a separate schedule which would show the nature and amount of any long-term indebtedness, the number of shares of each class outstanding, and the nature and amount of the preferential rights attaching to each class of shares. The item of depreciation does not require exceptional treatment, for any reader who considered himself competent to form an opinion could judge from a comparison of the depreciation charges for past years with the total capital outlay (as shown by Statement No. I), what likelihood there was of the capital sunk in fixed assets being recovered in the course of future operations. It scarcely needs to be added that the Statements numbered I and II above must be accompanied by an income statement showing trading profit or loss separately from all incidental and subsidiary gains and losses, and containing comparative figures for at least the five preceding years.

Focus On Earnings Statement

Some such scheme of presentation of accounting data as has been outlined above would, it is claimed, free the reader from any temptation to base his valuation of an industrial concern (or of a share in it) upon the fixed asset expenditures and would compel him, for this purpose, to have recourse to the figures of earnings with which he was supplied. At the same time it would not necessitate any change in established bookkeeping procedure, or preclude the preparation of a conventional balance sheet for any purposes to which such a balance sheet might be considered appropriate. Indeed the proposals involve nothing more than a modification of the form in which the customary information with respect to the financial affairs of an industrial concern is cast for publication.

The accounting profession cannot afford to be indifferent to the needs of the layman or deaf to his real or imagined grievances. If, as is argued in this article, it is quite impractical to make the balance sheet conform with the layman's idea of what a balance sheet should be, then accountants might well accept some responsibility for explaining to the layman why this is so. Meanwhile a form of accounts might be adopted which by drawing attention away from the balance sheet and focussing it on the earnings statement would educate him to the all important fact that the value of a business enterprise depends not on the quantity of assets which it possesses but on the profits which management, by manipulation of those assets, can produce.

The concrete suggestions which have been made in this article are offered in no didactic mood but merely to stimulate consideration of all possible ways and means of restoring the layman's confidence in his ability to make use of accounting data—a confidence which has been severely shaken by the instability of values and prices during the past decade and by the layman's deep-rooted misconception of the functions of the conventional balance sheet.

---

*It must be admitted here, however, that some accountants appear to share the layman's illusion that depreciation charges do, or at least should, adjust the asset to its value in exchange. This is to misunderstand the very nature of depreciation and is probably explained by nurture on classical texts which defined depreciation as "loss in value due to wear and tear, etc." Depreciation in reality is loss in productive capacity priced at original cost.

**See e.g. Cropper, Accounting (Fourth Edition), pp. 621 et seq.

Gold Seems Firm At $35 Per Ounce Unless War Comes

(Continued from page 37)

greater gold stocks, and although the United States does not make active use of all its gold the purchases are being continued. The market is largely in the hands of the United States which does not need the gold. Suppose the United States stopped buying? Seemingly the price of gold would tend downward.

Economic Function of Gold

It might be wondered why Governments, and particularly the U. S. treasury, should continue to buy or to hold gold at all. Why should Uncle Sam continue to subsidize gold mining in Canada, Russia and South Africa?

The truth is that gold has served a useful purpose in the past as an international medium of exchange. Perhaps it will return to this rôle in the future. Under an international gold standard, when major currencies can be converted into gold, the quotations for the various types of money, pounds, francs, dollars and so on, remain stable. That is, a Canadian exporter can usually count on the pound remaining around $4.87. This naturally helps international business because the buyer knows approximately what price he is paying for imports and the seller knows what he will get for his exports. When gold is used to keep currencies stable, therefore, it serves a useful economic function.

As to the operation of the money system in an individual country, such as Canada, it is doubtful whether gold is necessary at all. During the depression, the gold in vaults at Ottawa might as well have been in the bottom of Hudson Bay for all the actual use that was made of it. If the Government should find that gold-eating moths had consumed all the gold in Ottawa, it would not stop the next day's business nor necessarily depreciate the Canadian dollar.

Gold and the Investor

The chief value of gold, then, is for settlement of international transactions because gold has always been acceptable as payment in most countries. In times of war, gold may be particularly valuable to pay for essential materials. For times of peace, the world has gold of greater value than actually seems necessary. But the widespread respect for the value of gold may be expected to continue to lend a high value to the metal even though it is not indispensible and is no longer in general use as pocket money.

Since the world got along quite well for centuries without increasing the price of gold substantially, it might well be wondered whether the sharp increase in 1934 was necessary at all. Why any further increase should be made is a subject for still greater wonderment. It would be unwise for the mining investor to look too confidently for a further increase in the price of gold. Probably the safest view to take is to regard the price as fairly well stabilized at $35 an ounce.

Applying stabilization at $35 an ounce to investments in gold mines, it may be well to keep in mind the growing view among professional investors that the rise in price of older established gold shares has already reflected the major part of the benefits from $35 gold. This view is that older gold mines now have a longer life at increased profit, but that hopes are dim for further increases in incomes from such properties. Finally, the investor is probably warranted in paying closer attention to possible profits in younger gold mines whose chances of becoming profitable producers and of expanding commercial ore reserves have been enhanced by the rise of gold to $35.

Priest Stakes Mining Claims

From Our Own Correspondent

WINNIPEG. — A priest, Rev. Father Joseph Dubeau, who has been establishing a mission at Island Lake, took time off from his construction work to stake a group of six claims in the area. These he turned over to his ecclesiastical superior, Bishop Lajeunesse, at The Pas. The claims have now been optioned to Prospectors Airways for $50,000.

Meanwhile with his old-fashioned sawmill the priest is continuing to cut his lumber to erect his mission buildings.

New Mines • New Wealth

IT IS apparent that when a new mine starts production, Canada's income,—and that of her people,—is that much greater.

The fact is sometimes overlooked, however, that in seeking out that mine, in developing it, and bringing it to the stage of production, wealth is also distributed; Canada's income is also augmented.

To find a mine and develop it takes many, many thousands of dollars. This money is infused into Canada's economic arteries in the form of supplies, wages, freight, etc.

So that a mine, before and after production, represents purchasing power.

Consider the substantial contribution of one group of companies.

Ventures Limited and their associated companies have expended in Canada, in the years 1929 to 1935, the enormous sum of **$32,518,331.**

The money has been spent in exploration, development, mining operations and the purchase of machinery and supplies.

Between 1929 and 1933, which included the darkest days of the depression, the companies spent **$20,453,375.**

To this must be added expenditures in 1934 of **$5,245,212** and in 1935 of **$6,819,744.**

Activities of these companies comprise all stages of mining operations from Prospecting to Production. But whether in the search for new mines or in their development or operation, the money that is spent goes to create jobs for Canadians and to add to the net total wealth of the nation.

STATEMENT OF EXPENDITURES

More complete figures on the expenditures of this group of companies follow:

Company	1929 to 1933 Inclusive	1934	1935	TOTAL
Ventures Limited	$2,539,659.48	$ 242,203.48	$ 305,271.13	**$3,087,134.09**
Falconbridge Nickel Mines Ltd.	5,882,175.75	1,771,203.55	2,664,914.59	**10,318,293.89**
Sherritt Gordon Mines Limited	5,999,934.57	47,789.84	49,500.40	**6,097,224.81**
Sudbury Basin Mines Limited	1,379,540.50	13,008.65	13,536.97	**1,406,086.12**
Coniaurum Mines Limited	2,950,545.22	828,291.57	1,170,571.78	**4,949,408.57**
Beattie Gold Mines Limited	1,701,519.61	1,753,520.64	1,784,518.75	**5,239,559.00**
Matachewan Consolidated Mines	....	318,695.50	363,982.53	**682,678.03**
Canadian Malartic Gold Mines Ltd.	....	270,498.90	467,447.94	**737,946.84**
TOTAL	$20,453,375.13	$5,245,212.13	$6,819,744.09	**$32,518,331.35**

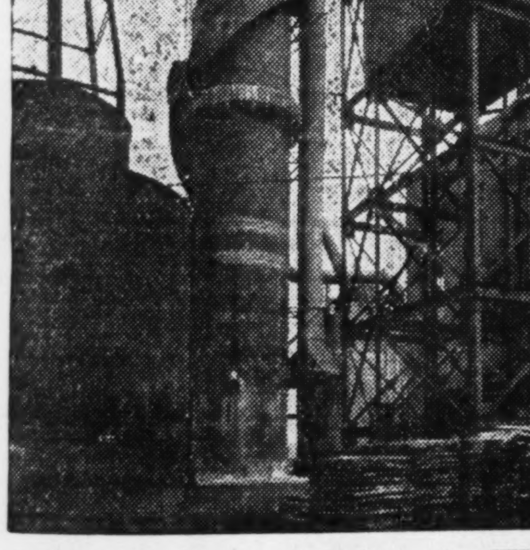
In the main, the money that has been spent has been earned from mine operations. In turn it has gone into wages, railroad freight and electric power, and for the purchase of equipment and supplies.

As the mines become established, the expenditure grows. Everyone in Canada gains some portion of the benefit. To provide supplies and transportation for this one group of mines alone and to supply the personal needs of the immediate employees, profitable employment is supplied to men and women in every part of the country.

This is what mining means to Canada.

Ventures Limited and Associated Companies
HEAD OFFICES:
25 KING STREET WEST, TORONTO, ONTARIO

STEEL PLATE WORK OF EVERY DESCRIPTION
— ERECTED ANYWHERE



STEEL PLATE
CONSTRUCTION
LEADING MINES USE
T.I.W. STEEL PLATE PRODUCTS
ORE BINS, HOPPERS, THICKENER TANKS, SOLUTION TANKS, AIR RECEIVERS, STEEL STACKS, ETC.
Our Engineering Staff is at your disposal. Write or wire for prices.
THE TORONTO IRON WORKS LIMITED
HEAD OFFICE ROYAL BANK BLDG. TORONTO WORKS EASTERN AVE.

Confidence is Keynote Of Base Metal Picture

Indications Point to High Demand in 1937 — Will Production Offset This Increase This Year?

That Canada has a big stake in the fortunes of base metals such as copper, lead, and zinc, is evident in the fact that in 1929, the gross value of these three metals, as produced in Canada, was $70,586,277. In 1936, estimated value of lead, copper and zinc production was $64,073,000.

Generally speaking, the fortunes of the base metal industry, unlike that of gold, parallel closely the ups and downs of general business conditions.

Thus, in 1932, the low year for industry generally, Canada's production of these three metals combined to total only $24,848,216. The fact that production did not sink much lower can, of course, be attributed to the fortunate combination in Canadian ores of base metals and precious metals, such as gold and platinum. This combination served to maintain volume of production in Canada during times when producers in other countries found metal prices unprofitable.

Copper

Important developments have taken place in the copper situation in the past year, most important of which was the drop in world stocks of blister and refined copper. These dropped by approximately 80,000 tons in 1936, as compared with a drop of 65,000 tons in 1935. In other words, world consumption exceeded production to a far greater degree last year than in the year before. It is interesting to note that this demand for copper was at its height during five months of 1936, June to October. During this period, peacetime industries, such as the electrical industry, automobile industry, etc., began to use more copper than ever before. This increased "peacetime" demand was accelerated by the steady increase in armament manufacture. Speculative buying also became more active, particularly after France devalued the franc in October.

Behind all this optimism and surface improvement, however, lay the unpleasant but ever-present fact that potential world production greatly exceeds actual consumption. Low-cost world producers, representing 75% of the world production, yet not including Canada, accordingly started relaxing restriction on output to meet increasing demand.

Restrictions Removed

On August 1, 1936, restriction was relaxed from 70% to 75% of basic production.

On Oct. 1, restriction was raised to 80%; on Oct. 15, to 85%; on Nov. 1, a big jump to 105% of what is called normal basic production. In the middle of Jan., 1937, it was announced that all restrictions on production had been waived.

Despite this unleashing of more and more copper, the steady increase in prices kept going. It was felt, and still is, that the fact that producers increased their quotas so rapidly meant that they had confidence in the future.

No one can predict what the immediate future of copper will be. It is generally agreed, however, that looking to the very immediate future, the automobile, building, electrical and other industries have a promising spring and summer ahead of them. The price of domestic copper in United States remains protected by a four cents per pound tariff. If, however, demand in United States should grow, as seems at least possible, to such an extent that United States domestic prices should top world prices by a margin greater than this four-cent tariff, it may be necessary to raise the tariff to protect United States producers from foreign copper.

In the meantime, Canadian producers are enjoying the benefit of the highest copper price since April, 1930, coupled with sustained prices for gold, platinum, and other of the precious metal group.

Zinc

Zinc was slower to feel the benefit of improved industrial conditions, although an upward trend in prices and world production has been noticeable since 1933. Exclusive of United States, world production in 1936 has been estimated at 985,000 tons, as compared with 1935 production of 940,000 tons. This is an increase of 45,000 tons. Consumption, on the other hand, increased by about 30,000 tons to 975,000 tons. While this might indicate a net increase in world stocks of around 10,000 tons, considerable improvement occurred in the latter half of the year. At the end of 1936, world stocks of zinc, primary and secondary, were estimated at about two months supply, at the current rates of consumption. At the end of 1935, stocks on hand outside the United States were estimated at 110,000 tons, which would, at the average rate of consumption then prevailing, have been less than two months supply. The favorable factor, of course, is that consumption in 1936 totalled, including United States needs, some 1,475,000 long tons, as against a world consumption of 1,360,000 tons in 1935.

In reviewing the outlook of zinc for 1937, The British Metal Corp. of London have this to say:

> "The outlook for consumption is promising. Demand for brass in 1937—for ships, motor cars, houses, buildings, engineering products and armaments—should be higher than ever before. The rapidly reviving fortunes of primary producing countries — Australia, India, South Africa, South America—should bring a big increase in demand for galvanized products. There is also the possibility, if stocks in U. S. A. continue to dwindle, that American consumers may be forced to buy abroad. Apart from bouts of profit taking, zinc prices may be expected to continue upward and follow the general trend of commodity prices."

Lead

Canada's lead production in 1936 had an estimated value of $14,643,000 from 377,965,000 pounds produced. This compares with production valued at $10,625,000 in 1935 from 339,105,000 pounds. The 1936 production set up a record in volume. Nearly 99 per cent of this production came from the Sullivan mine of Consolidated Mining & Smelting Co., although Quebec mines are increasingly active.

As in the other base metals, the world position appears to be fundamentally strong, although, with lead, it is more difficult to formulate an opinion as to the future. Consumption which grew from $1,440,000 long tons in 1935 to 1,565,000 long tons in 1936, will, it is expected show further increases in 1937, owing to improved business conditions, and armament programmes. But the unknown factor, as far as lead is concerned, is the world's capacity to produce. At the time of writing, production is actually ahead of consumption, judged over monthly periods. How long this production rate will continue ahead of consumption cannot be gauged, but the fact remains that there have been large increases in production from such countries as Mexico, Australia, Germany, France, and Canada.

Lead has always been a favorite medium for speculators, who have a tremendous and unpredictable influence on prices.

It will be seen from the following that both in volume and value of product, the low year was 1932.

Nickel, the production of which is dealt with elsewhere, has not been affected to the same extent by industrial conditions in the past, owing to the fact that markets for this metal have, all during the depression, been becoming more and more diversified, under stable price conditions.

The course of Canadian production for the past eight years, together with the average price for each year, may be followed in the table below:

Canadian Base Metal Production
(000's omitted)
1929-1936*

Year	Copper lb.	Aver. price lb.	Lead lb.	Aver. price lb.	Zinc lb.	Aver. price lb.
1929	248,121	18.3	326,523	5.1	197,267	5.4
1930	303,478	13.4	332,894	3.9	267,643	3.6
1931	292,304	8.8	267,342	2.7	237,245	2.5
1932	247,679	6.4	255,947	2.1	172,284	2.4
1933	299,982	7.5	266,475	2.4	199,132	3.2
1934	364,761	7.4	346,276	2.4	298,580	3.0
1935	418,993	7.8	330,105	3.2	320,650	3.1
1936*	414,137	9.4	377,965	3.9	326,916	3.3

*1936 production estimated.

Better Lead and Zinc Prices Brighten Prospects in B. C.

The improving market for lead and zinc, with no new major sources of supply having been found for either metal, considerably brightens the prospects for British Columbia's lead and zinc producers, who regard 1937 as likely to be one of their best years in a long time.

British Columbia's mines produce practically all Canada's lead and zinc, and the fact that the first electrolytic metal was produced in the Pacific province only about 20 years ago makes the record even more remarkable. Canada's 1936 lead output was estimated at 188,982 tons and zinc for the same period at 163,458 tons. Ten years ago production was respectively 141,386 and 61,727 tons.

The percentage gain in production for these two metals reached its highest level in Canada's history, being 38 for lead and 165 for zinc. Most of Great Britain's lead imports come from Canada and Australia. Britain imported from these Dominions, 326,712 tons of lead in 1936 as compared with a 1935 import of 285,000 tons.

Great Britain was Canada's biggest customer for zinc in 1936, taking 166,668 tons, as compared with 133,000 tons in 1935. Canada's competition from Australia in the zinc market is not as keen as in lead. Australia exported a total of 52,728 tons of zinc in 1936.

Stocks of both metals are low in the United States, which at the end of 1936 had but 172,423 tons of lead, the lowest on hand since 1931. Zinc was down to only 44.756 tons, the lowest since 1929 and equal to less than a month's supply.

Faulkenham Lake Finds Good Sulphide Area

Faulkenham Lake Gold reports from its Red Lake property that the vein has been cut in the shaft, showing good sulphite mineralization and free gold over an average width of 30 in. at the 125-ft. level, where a station is now being cut. Overall vein width is reported as 5 ft. Assay details are expected shortly.

Pickwick Gold Mines Resumes Drill Operations

Pickwick Gold Mines in the Pickle Crow-Central Patricia area has resumed drilling, some of which was done on the property late in 1936. Pickwick comprises about 400 acres and is capitalized at 3,000,000 shares, of which 1,000,000 shares were issued for the property.

Lake of Woods Boosts Output

Production Reported From Four Properties in 1936

From Our Own Correspondent

KENORA.—Lake of the Woods is showing important progress, being the only one of the old Kenora areas to show a return to production in recent years. In 1934 the Kenora division showed a productive total of nil while, in 1935, from the returns of Lake of the Woods mines the figures totalled $97,000. In 1936 the total jumped to over $325,000 from four properties, one of which, **Wendigo,** is in regular production. In addition to Wendigo, which is expected to show a figure of between $250,000 and $300,000 during the current year, there are a number of possibilities for new producers. Most prominent of these are **Kenricia** and **Duport.** Kenricia has completed a shaft to 350 ft. and is just getting its lateral development under way with a view to blocking out sufficient ore by midsummer to install a mill of at least 100 tons by fall. According to authentic sources, Duport has 100,000 tons of $13 ore blocked out at the present time and another 100,000 of a similar grade ore indicated to a depth of 1,000 ft. Negotiations are now proceeding for funds.

Kenland Gold Mines, operating the old Horseshoe mine, ran the old stamp mill for a few months but found this unprofitable so has suspended milling. All power is turned to development work by which it is hoped to prepare sufficient ore to justify replacing the old stamp mill with a cyanide unit and return the property to a regular production basis.

Diamond drilling is in progress at the **Coniagas Mines** almost wholly owned nickel property at Empire Lake, with a programme of 25,000 ft. to be completed if the preliminary work is satisfactory.

Brae Breest Gold Mines will complete a total of 7,700 ft. of drilling in two programmes by end of this month.

Kenecho Gold Mines, working the old Standard mine, will complete a 2,000 ft. diamond drill programme this month and plans are to extend the contract. One of the old shafts is being dewatered so as to be systematically sampled. Hollinger Consolidated is sampling the Byberg find of two months ago on Shoal Lake, across from Duport.

Lakeport Gold Mining Co., near Errington Rowan Lake group, is now receiving lumber, men and equipment by air to set up camps so that a diamond drill programme can be proceeded with. Surface exploration continues at the Errington property while plans are being made for a diamond drill to start work shortly. Although officials are not over-enthusiastic as to possibilities of the "garbage-dump" mine, Joseph Errington proposes to shoot in a few shallow drill holes, expecting to confirm suspicions that Kenora cannot depend upon this vein for a town limit mine.

Other Active Properties

Westricia Gold Syndicate, adjoining Kenricia west, has a crew of seven men at work blasting out test pits for systematic sampling, with a view to drilling before the winter is out.

Kenjoe Gold Mining Co., southwest of Kenricia, is planning to diamond drill under the direction of Dr. J. F. Wright as soon as company organization is complete.

Kenosha Gold Syndicate has acquired claims east and west of Kenricia and plans to start work shortly.

Threadneedle Mines is to reopen another of the old properties in this area, probably dewater deepest of the two shafts, down 265 ft., sample it and, if satisfied, proceed with further work.

Lake Hill Gold Mines has resampled its property and, if assays are satisfactory, will sink a shaft.

Franklin Gold Mines, dissatisfied with results secured in the old Champion workings, 235 ft. deep, has suspended operations, but plans to return in the spring and do some drilling.

Mines Development was not satisfied with assays from samples taken in the old Scramble mine after pumping out the old 235-ft. shaft so has suspended.

Blue Star Mines is definitely inactive. The company is facing a law-action which is scheduled to be heard in a Kenora court shortly.

As a result of the great activity at Rowan Lake during the winter, interest in the Straw Lake sector, 10 miles to the south, has been revived and **Straw Lake Beach Gold Mines,** which has a shaft down 300 ft. and levels at 100 and 300 ft. with 17,000 tons of $18 ore assured, has arranged new financing to resume work after 15 months of idleness.

A crew of men are already at work on the **Line Bay Syndicate** property, held under option by **Sylvia Mining Co.,** Winnipeg, which plans spending $5,000 this winter on surface exploration, preparatory to drilling in the spring.

Shenango Gold Expects To Resume Production

Shenango Gold Mines in the Oba district of northern Ontario, expects production to be resumed immediately, all changes having been completed in the mill, which is at present a 50-ton unit. Work is proceeding on the mill addition to bring capacity to 100 tons daily. Latest channel and muck samples across drift width of 5 ft. gave assay returns of $20.40 in gold per ton, with free gold in evidence along the drift.

Sees New Gold Raising Prices

In a recent issue, "The Sphere," Washington, D.C., comments on a recent statement of Benjamin M. Anderson, Jr., economist of the Chase National Bank, as follows: "It is difficult to escape the conclusion that sooner or later the present relations between gold dollars of the new par and commodities in general must be radically altered, and that a great rise in commodity prices must come sooner or later.

"The discovery of high-grade gold ore at Gordon Lake, in Canada, is another indication of how far wrong the Gold Delegation of the League of Nations was when it forecast, several years ago, that no important increase in the production of new gold need be anticipated. The idea that the entire surface of the earth had been exhaustively prospected was popular, but without warrant.

"Moreover, it was not anticipated that air-conditioning would permit working of the South African mines at greater depths than formerly imaginable; nor that the Russians, in 1937, would be producing substantially as much gold as the British Empire; nor that, attracted by the high monetary prices, great quantities of gold would come from hiding or be transferred from ornaments into cash.

"One of the amazing things is that monetary gold, of which there was so great a shortage that there was resort to revaluation, is now so plentiful that not this nation alone but others as well have to sterilize its effects. Possibly, the British suspected what might happen, for they have not yet decreed a new gold content for the pound.

"The truth is that the gold content of the dollar was reduced too much, but no political party will dare to correct the error. Instead, it is being sought to neutralize the effects by indirect methods. How long will that be politically feasible?"

Production of Gold
From Annual Report, Director of the Mint, 1935, pages 107-108

Calendar year	Fine ounces	Value in dollars*
1890	5,749,306	$ 118,848,700
1900	12,315,135	254,576,300
1910	22,022,180	455,239,100
1920	16,130,273	333,442,345
1930	20,836,318	430,724,934
1931	22,329,525	461,592,277
1932	24,150,761	499,240,663
1933	25,367,395	524,390,432
1934	27,930,463	977,566,205
1935	30,660,357†	1,073,100,000†

---

* At $20.67 + per fine ounce prior to 1934; at $35 per fine ounce 1934 and thereafter.

† From American Bureau of Metal Statistics.

Macaboug Gold Mines — advises that contracts for diamond drilling and crew to prove up four groups of claims in the Chibougamau district, adjacent to Central Chibougamau Mines, are being arranged. Recent assays are reported at $45 per ton across nine feet of vein material in a similar geological structure and shearing.

Our Sustained, Consistent Efforts
Mean Progress for

NORTH HURON
GOLD MINES LIMITED

Diamond drilling is expected to start on the property within the next two weeks or as soon as drills are available — developments to date have been very satisfactory — assays from channel sampling have proven ore content to be of commercial value. Two big shear zones and 4 big veins definitely located.

Shaft down to 100′, station cut and several hundred feet of drifting and cross cutting already accomplished — Tunnelling into side of hill on Number "1" vein located good grade of ore — extensive trenching and test pits have extended the veins in shear zones.

NORTH HURON

is being developed in a very practical manner by practical engineers — its management is sound and economical.

The speculative appeal from its mine-making possibilities are well worthy of careful consideration and we unreservedly recommend its immediate purchase.

Use Coupon For Full Information

NORTHLAND SECURITIES LIMITED,
372 Bay Street, Toronto, Canada.
Phone: AD. 1081

Please send me complete information on NORTH HURON GOLD MINES LIMITED.

Name ....
(Please Print Name)

Address ....

Connell Mining & Exploration Company Limited

F. M. CONNELL
President

W. H. CONNELL
Vice-President

ALAN COCKERAM
Sec'y.-Treasurer

C. R. ELLIOTT, C.A.
Ass't. Sec'y.-Treasurer

Mining Properties Optioned and Developed
1001 FEDERAL BUILDING — TORONTO (2) ONTARIO

UCHI GOLD MINES
LIMITED

Toronto Agency:
25 KING STREET WEST
TORONTO

OFFICERS AND DIRECTORS
President: J. E. HAMMELL
Vice-President: A. L. SMITH
DIRECTORS:
E. HAMMELL
Director of Mining: B. H. BUDGEON
Sec.-Treas.: ROBERT FENNELL, K.C.
Ass't Sec.-Treas.: J. BLAND

LAGUNA GOLD
MINES LIMITED

FIRST SIX MONTHS
PRODUCTION RECORD

Month	Tons Milled	Recovery
August	1,570	$31,282.74
September	1,835	29,303.68
October	1,877	29,924.80
November	1,886	39,251.54
December	1,851	35,173.57
January	2,088	36,499.00
Total	11,107	$201,435.33
Monthly Average	1,851	$33,572.56

Circular giving latest information on request.

MILNER, ROSS & CO.
Members The Toronto Stock Exchange

330 Bay Street, Toronto
WA. 1701

Pigott Bldg., Hamilton
Regent 4880

RED CREST GOLD MINES
AND
LAKE ROWAN GOLD MINES
(The properties adjoin each other)

BOUGHT — SOLD — QUOTED

KIPPEN & COMPANY
Incorporated
INVESTMENT SECURITIES
204 HOSPITAL STREET, MONTREAL
Telephone: BElair 2646

Prospectors Airways Company Limited

Incorporated under The Dominion of Canada Companies Act
Authorized Capital 1,000,000 shares without Nominal or Par Value
Issued Capital 660,000 shares without Nominal or Par Value

The Company owns and operates its own airplanes and is equipped to carry out exploration and prospecting in all parts of Canada.

OFFICERS AND DIRECTORS

R. Cockeram	President	Toronto, Ontario
Peter T. Graham	Vice-President	New Liskeard, Ontario
Lloyd B. Rochester	Director	Ottawa, Ontario
C. F. Tuer, K.C.	Director	Haileybury, Ontario
A. Dorfman	Director	Toronto, Ontario
J. Ingram	Secretary-Treasurer	Toronto, Ontario

HEAD OFFICE
80 King St. West, Toronto, Ont.

ANGLO-HURONIAN LIMITED

MINES DEVELOPED
AND FINANCED

London Correspondents:
ANGLO-CANADIAN TRUSTEES LIMITED
39-41 NEW BROAD STREET, LONDON,
E.C. 2, ENGLAND
CABLE ADDRESS, "ANCANTREE"

Head Office:
STAR BUILDING
TORONTO, CANADA
CABLE ADDRESS, "HUROBELSYN"

Cadillac Field Makes Big News Activity Intense

Score of Companies Are Actively Developing on "Main Break" After O'Brien's Discovery — Headline Area

Along a belt approximately 100 miles in length, known as the northwestern Quebec mineral area, the Province of Quebec has been making mining history.

Focal point of this development has been in Cadillac and Malartic townships, although activity has been intense along the whole front.

The full effect of this development does not, of course, show in Quebec's 1936 gold production figures. Nevertheless, Quebec's 1936 gold output increased an estimated 56%, to about $25 millions, from 1935 production of about $16 millions. When the figures are totalled for 1937, a further big increase is almost inevitable.

Less spectacular, but equally tangible, has been the increase in other mineral products. The asbestos industry which, in 1932, sank to less than one third of normal production, has regained all the ground lost, and is now officially reported to be back to normal levels, with a more-than-normal production expected in 1937.

O'Brien Leads Way

From the point of view of public investment and speculative interest, the Cadillac and Malartic gold development, however, made itself felt across Canada, and was an important factor in keeping the whole mining market buoyant throughout 1936 and to date in 1937.

Interest was first drawn to the Cadillac field when **O'Brien Gold Mines**, which had been in production since 1933 as Cadillac O'Brien mines struck a high-grade section of the No. 4 vein below the 5th level. At date of writing, this high-grade ore section had been cut on levels 5 to 11. Work on the bottom, or No. 13 level is currently starting and it is considered that the high-grade section will extend at least to the 13th level , and possibly beyond, although no drilling has been done at depth. Officials of the company believe that after February an operating profit of $100,000 every four weeks will be attained, with the mill handling 150 tons per day.

The discovery of this high-grade section was undoubtedly one of the most important developments in Canadian mining during the past 12 months. It was natural that properties along the strike of this break should receive a new lease on life. To review in detail development work on all the properties in this field, including the myriad promotions organized on the strength of O'Brien's good fortune, would be beyond the scope of this issue.

Briefly, however, the most active companies, starting from the west boundary of Cadillac township, and continuing east along the belt to Malartic township, may be tabulated as follows:

Thompson Cadillac

Thompson Cadillac Mining Corp., which adjoins O'Brien to the west, resumed milling in May, 1936, and to the end of the year had produced $123,740 from 16,346 tons treated, indicating a recoverable grade of about $8.02 per ton. Production is running at about $20,000 per month. Drifting on the 600-ft. level has recently proved the downward continuation of the high-grade section formerly located on the 150-ft. level.

Candalaca Gold Mines, north of O'Brien, is currently diamond drilling, with no significant results at time of writing.

North of Candalaca, **Admiral Cadillac Gold Mines**, at last report, was continuing surface work, and had uncovered several large quart veins, and shear zones, although values were reported to be fairly low.

Valco Cadillac Mines, south and east of O'Brien, has done surface prospecting on its large holdings, but no recent report of significance is to hand.

Routhier Cadillac Gold Mines, whose property is south and east of Valco, is doing surface work, and reports that a zone of intense shearing has been uncovered having a width of 136 ft. A trench 200 ft. in length has been put down across this shearing and at time of writing is being blasted out and sampled.

Kewagama Gold Mines, which took over the property of Canadian Gold Operators adjoining O'Brien on the east, is sinking a three-compartment shaft, and expects to reach its objective of 500 ft. some time in April. Lateral work done on the 125-ft. level, with some encouragement. This property, due east of O'Brien, is favorably located geographically.

Wood Cadillac Gold

Central Cadillac Gold Mines, which also touches O'Brien on the east, north of Kewagama, is also shaft sinking, in conjunction with diamond drilling. At latest report the shaft was down to 225 ft. with stations established at 100- and 200-ft. levels. This property is also considered to be strategically located.

Wood Cadillac Gold Mines is drilling, and, as reported recently in The Financial Post, has met with considerable encouragement, particularly in diamond drill hole "X," which was drilled jointly with Pandora Cadillac on the boundary between the two properties. The company is currently negotiating for shaft sinking, to an initial depth of 500 ft.

Pandora Cadillac Gold Mines, one of the veteran properties in the area, is drilling concurrently with continuing work underground, to the bottom level at 500 ft. It is planned in the near future to drill below this level. This property, which has passed through many hands, has never formerly had the thorough going-over it is now getting.

Amm Cadillac, one of the comparatively recently formed companies, has properties intruding into Pandora Cadillac. This property was under option to United States Mining & Smelting Co. last fall, but the option was allowed to lapse. The company recently completed its surface exploration programme, and signed a contract for drilling. Surface work indicated an oreshoot some 300 ft. in length, with an average width of three ft. and average assays of $8.63 per ton, according to officials.

Maritime Cadillac has done some surface work and drilling, but as yet sufficient information has not been made available to give the property any particular significance.

Lapa Cadillac Gold Mines, generally conceded to be on what has come to be known as the Cadillac break, is, after an encouraging programme of diamond drilling, currently shaft sinking. The shaft is being deepened to an objective of 550 ft. Three zones have been partially opened up, and some visible gold reported to date.

Drilling on the property of **Tonawanda Mines**, east of Pandora, did not, The Post understands, produce tangible results, and work was suspended, pending refinancing.

Rubec's Story

The story of **Rubec Mines** and its famous drill core is well known to Post readers. At the time of writing a report from the Quebec Securities department is still pending, and is expected daily. In the meantime, further work has been recommended, but the drill core scandal is still so fresh in the memories of most, that judgment of the property is beclouded.

Hayes Cadillac Gold Mines, east of Rubec, was starting a drilling programme at last report. Results of this drilling are not known as yet.

Sladen Malartic Mines, adjoining Lapa Cadillac on the east, is one of the most advanced prospects in the district. Work underground is being carried on to a depth of 500 ft., where drifting is being carried out east and west of the shaft. In both directions on this level, The Financial Post understands, ore has been encountered. Recent results at Sladen have brought it to the forefront of mining developments.

Dempsey Cadillac Mines, straddling the border between Cadillac and Malartic townships, is shaft sinking and is currently reported to be at a depth of 125 ft. It will be continued to 250 ft., and lateral work carried out on two levels simultaneously.

POURING THE BRICK

Many a mining man has visualized just such a scene as the one above taking place at his property on the pre-Cambrian shield. It represents the final culmination of years of heart-breaking effort — actual production of gold. The thin stream of flame-colored liquid is bullion. This interesting picture happens to have been taken at Argosy Gold Mines, but its counterpart can be viewed all across Canada. Viewed all together, they represent one reason why Canada has emerged from the depression

B.C. Mines Pay Over One Fifth Total Dividend

From Our Own Correspondent

VANCOUVER. — British Columbia's mines paid out more than $17 millions in dividends last year, more than one-fifth of the total dividends paid by mining companies throughout Canada and within about $4 millions of the total dividends of all Canadian mining companies in 1932.

Cariboo Gold Quartz, Highland Bell, Ymir Yankee Girl were among the mines that entered the dividend category during the last 12 months. Payments will probably be even greater during the current year.

Here are the British Columbia dividend payers with details of the payments:

	$
Bralorne	758,200
Cariboo Gold	166,663
Consolidated Min. & Smelt.	6,515,257
Granby	4,500,000
Highland Bell	13,158
Highland Lass	19,402
Howe Sound	1,942,543
Island Mountain	105,071
Pioneer	1,401,400
Premier	800,000
Premier	300,000
Reno	219,156
Sheep Creek	75,000
Ymir Yankee Girl	111,250

F. O'HEARN & CO.
STOCKS BONDS GRAIN

Members
The Toronto Stock Exchange
Montreal Curb Market
Winnipeg Grain Exchange
Canadian Commodity Exchange, Inc.
Chicago Board of Trade

OFFICES
TORONTO
MONTREAL
HAMILTON
SARNIA
OTTAWA
OWEN SOUND
TIMMINS
COBALT
NORANDA
SUDBURY
KIRKLAND LAKE
NORTH BAY
BOURLAMAQUE

Radium in 1936 —

Discoverer of Great Bear Deposit Claims Great Strides For Canada's Unique Operation

By GILBERT LABINE
Managing Director Eldorado Gold Mines

At the end of 1936 it was possible for the first time to survey radium in Canada as an industry. It was not, in fact, until the latter part of that year that development and research had reached a point at which it could be stated with assurance that radium, as a Canadian industry, was established on a regular production basis.

To attain this status, much progress had first to be made in four separate fields—mining, transportation, refining and markets.

Toward the end of the year, electrification of mine and concentrator operations at Great Bear Lake in the Canadian sub-Arctic were completed. Equipment had been installed or was on the ground to meet all immediate requirements both in the mining of silver-radium ore and in speeding up the programme of underground development. At the same time, the width of the vein and richness of the ore on the 465-ft. level had been proved and we possessed sufficient data on the geological structure at depth as well as enough new information on ore reserves, to justify future plans on a long-range basis.

Water Routes Plentiful

From the mine at LaBine Point to the refinery at Port Hope, Ontario is more than 3,000 miles. Of this, 1,450 miles is beyond the end of steel. Over this route, efficient and economical air services are now operating. But we are particularly fortunate in another direction. Navigable waters of the Mackenzie River system, flowing into the Arctic, cover practically this entire stretch and we are thus able to freight concentrates out and equipment in right from the railhead at Waterways, Alberta, to our own dock only a few feet from the mine-shaft. To increase our efficiency and with the idea of reducing our costs, the Northern Transportation Co., which operates vessels over the entire distance, was recently purchased. Our production plans call for the production of sufficient tonnage of concentrates, to be moved out by water during the short season of navigation, to meet the refinery's increased needs for the full year.

Unusual Problems

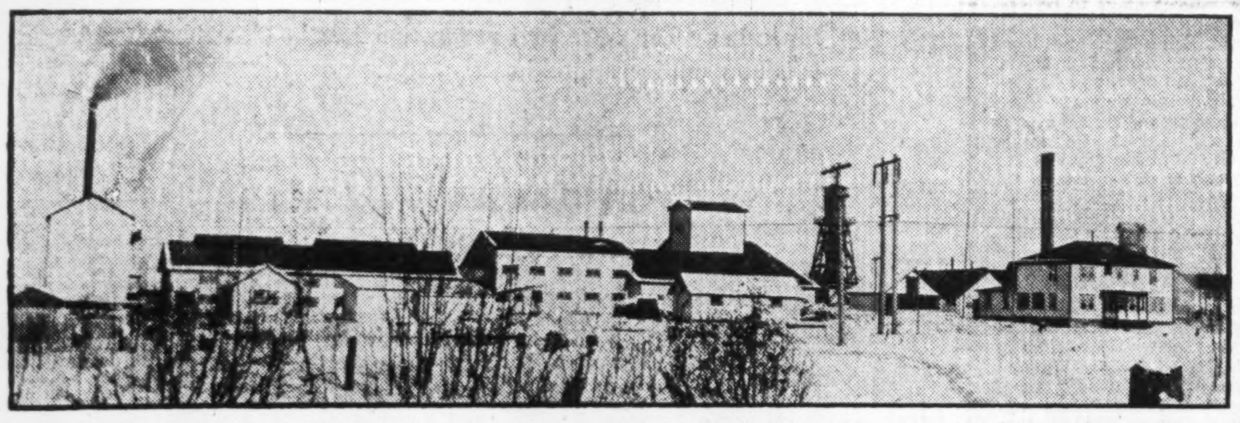
When the first pitchblende from Eldorado was brought out, we were confronted with an unusual processing problem. It was simplified to some extent by the fact that the ore was regularly indicating a richness in radium content. But the entire method of treating the ore had to be developed and there was no assistance whatever to be secured from corporations already in the field elsewhere in the world. With the resources of Canada's Department of Mines this was accomplished and the processes have been steadily improved as operations proceed. Under the direction of M. L. Pochon, who came from France to take charge, and who had worked in the Curie laboratories, the methods of Madame Curie were used and gradually adapted to what is, for radium, large-scale production, though, compared with the recovery of other minerals, this is, of course, laboratory technique.

By October, 1936, Canada's radium production, as a result, reached two grams monthly for the first time. It is at this point that radium can be considered to have emerged as an industry. On November 16, production of the first ounce (28 grams) was completed. Within a few weeks of this, having regard to all circumstances, an expansion programme was launched which, when complete, is expected to more than triple the refinery capacity.

Demand Increases

The deciding factor in this was the rapidly increasing demand for radium, chiefly from British sources, with the result that the orders on hand for 1937 delivery were greater than the 12-month capacity of the plant at Port Hope. At present, these amount to more than $800,000 and we are undertaking to fill them all during the coming year.

Considerable attention has recently been given to the price of radium which is reported to have been cut in half due to the stabilization and development of Canadian operations. This is true. But from the viewpoint of a commercial enterprise, we consider the present price levels as extremely satisfactory ones. At the same time, Eldorado has certain humanitarian responsibilities and it is a matter of gratification that we have thus been able to perform this service for the medical world in general. We have not sought nor will we in the future seek to maintain the world price at exorbitant levels. This statement is advisable in view of published comments that the previous world monopoly in radium is now broken and that Canada will shortly have a monopoly.



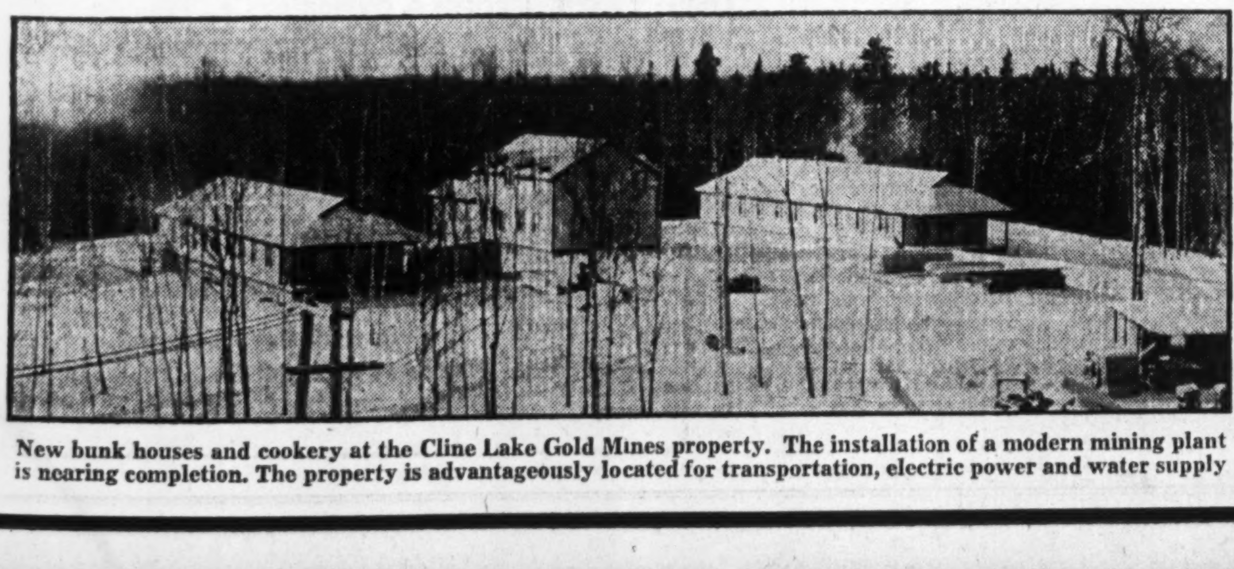
The O'Brien Gold Mine, Northern Quebec, showing the doubled capacity of the roasting, concentrating and cyaniding plant.

O'BRIEN
GOLD MINES
LIMITED
No Personal Liability

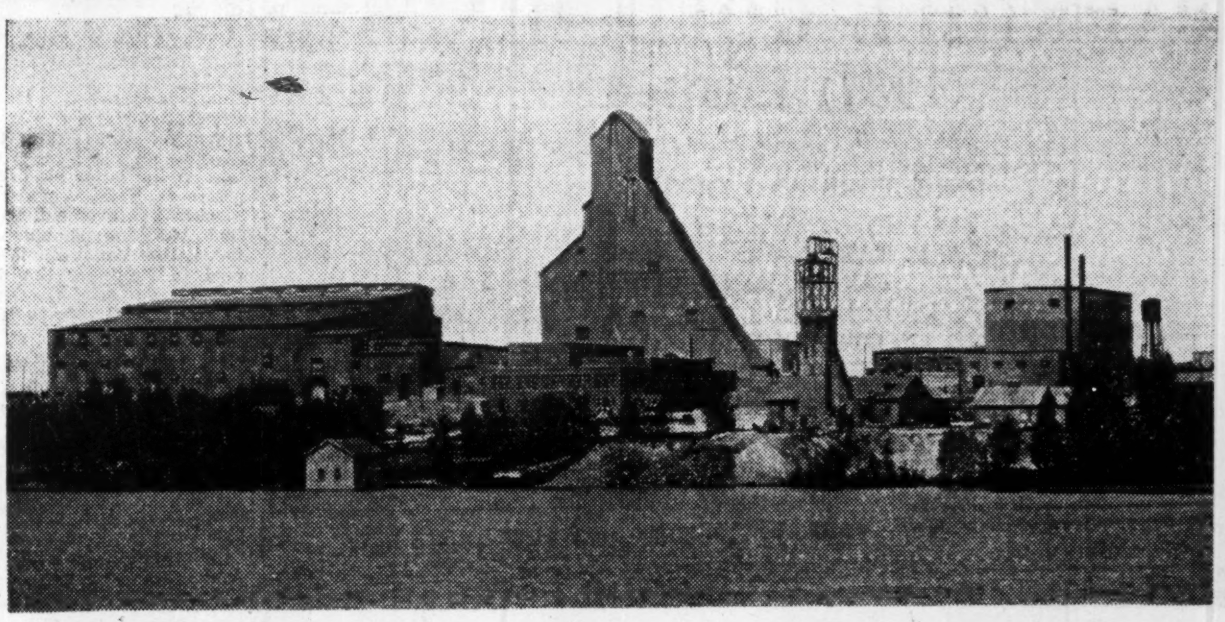
CAPITAL: 4,000,000 Shares Par Value $1.00
Issued 3,250,000

Officers and Directors:
J. L. MURRAY, *President.*
J. A. O'BRIEN, *Director.*
J. G. DICKENSON, *Vice-President and General Manager.*
J. N. ROUGVIE, *Sec'y-Treas.*
A. J. NESBITT, *Director.*
H. E. SPARKS, *Mine Manager.*

HEAD OFFICE: KEWAGAMA, P.Q.



New bunk houses and cookery at the Cline Lake Gold Mines property. The installation of a modern mining plant is nearing completion. The property is advantageously located for transportation, electric power and water supply



McIntyre Porcupine Mines, Limited
(No Personal Liability)
Incorporated under the laws of the Province of Ontario.

CAPITAL STOCK
Authorized: 800,000 shares, par value $5.00 .... $4,000,000
Issued: 798,000 shares, par value $5.00 3,990,000

DIRECTORS AND OFFICERS
J. P. BICKELL, *President and Managing Director*, TORONTO, ONT.
BERNARD E. SMITH, *Vice-President and Director*, BEDFORD, N.Y.
STRACHAN JOHNSTON, K.C., *Director*, TORONTO, ONT.
D. H. McDOUGALL, *Director*, STELLARTON, N.S.
R. S. McLAUGHLIN, *Director*, OSHAWA, ONT.
E. D. FOX, *Secretary*
BALMER NEILLY, *Treasurer*

Transfer Agents:
The Toronto General Trusts Corporation—Toronto
The Equitable Trust Company of New York

Registrars:
The Trusts and Guarantee Company Ltd.—Toronto
The Chase National Bank—New York

Auditors:
GUNN, ROBERTS & COMPANY, Chartered Accountants, TORONTO

R. J. ENNIS, *General Manager*
SCHUMACHER, ONT.

PRODUCTION SINCE THE COMMENCEMENT OF OPERATIONS IN 1912

Date	Period	Tons Milled	Value Per Ton	Gross Value	Recovery Per Ton	Total Value	Aver. Price Per Oz.
1912	12 months	14,500	$ 7.00	$ 101,555.16	$ 5.25	$ 76,166.38	$20.67
1913	12 months	31,979	7.85	251,314.45	7.05	225,752.25	
Jan. 1, 1914, to Mar. 31, 1915	15 months	85,654	8.87	760,232.16	8.39	718,331.71	
Apr. 1, 1915, to Mar. 31, 1916	12 months	105,758	7.71	815,345.49	7.38	779,990.94	
Apr. 1, 1916, to June 30, 1917	15 months	195,307	10.00	1,954,793.28	9.55	1,864,914.28	
July 1, 1917, to June 30, 1918	12 months	178,327	10.05	1,793,197.55	9.61	1,714,258.00	
July 1, 1918, to June 30, 1919	12 months	179,874	9.78	1,759,627.40	9.29	1,671,646.03	
July 1, 1919, to June 30, 1920	12 months	188,835	11.52	2,175,891.31	11.02	2,080,178.44	
July 1, 1920, to June 30, 1921	12 months	171,916	11.67	2,005,672.00	11.08	1,904,326.36	
July 1, 1921, to June 30, 1922	12 months	193,971	10.69	2,074,088.40	9.99	1,937,105.07	
July 1, 1922, to June 30, 1923	12 months	240,615	9.96	2,397,303.00	9.35	2,249,741.63	
July 1, 1923, to June 30, 1924	12 months	360,140	9.69	3,488,863.00	9.14	3,291,178.22	
July 1, 1924, to June 30, 1925	12 months	400,259	9.43	3,774,068.00	8.86	3,546,637.52	
July 1, 1925, to June 30, 1926	12 months	460,909	8.72	4,020,326.00	8.25	3,804,774.90	
July 1, 1926, to Mar. 31, 1927	9 months	385,409	8.08	3,113,500.07	7.67	2,957,060.97	
Apr. 1, 1927, to Mar. 31, 1928	12 months	520,460	8.09	4,207,553.00	7.66	3,987,634.94	
Apr. 1, 1928, to Mar. 31, 1929	12 months	538,165	8.24	4,433,378.00	7.83	4,212,624.82	
Apr. 1, 1929, to Mar. 31, 1930	12 months	550,495	8.46	4,657,188.00	8.05	4,433,626.45	
Apr. 1, 1930, to Mar. 31, 1931	12 months	558,115	8.84	4,934,122.00	8.30	4,633,140.73	
Apr. 1, 1931, to Mar. 31, 1932	12 months	655,030	8.47	5,548,278.10	8.10	5,305,475.29	21.95
Apr. 1, 1932, to Mar. 31, 1933	12 months	736,300	8.45	6,224,493.40	8.12	5,981,714.69	22.79
Apr. 1, 1933, to Mar. 31, 1934	12 months	776,845	10.68	8,296,704.60	10.24	7,957,252.54	31.50
Apr. 1, 1934, to Mar. 31, 1935	12 months	862,100	10.23	8,819,660.27	9.78	8,430,670.26	34.67
Apr. 1, 1935, to Mar. 31, 1936	12 months	873,000	9.88	8,621,410.67	9.38	8,190,639.14	35.17
		9,263,963	$ 9.31	$86,228,565.31	$ 8.85	$81,954,841.56	

EXECUTIVE OFFICES
15 KING STREET WEST — TORONTO
LOCATION OF MINES, PLANT AND HEAD OFFICE
SCHUMACHER, ONTARIO

A Mine's Old Age

Canadian Mines Have Their Own Way of Providing Pensions For Their Old Age

Nobody appreciates more fully than the managers of Canada's large gold mines, that every mine is a wasting asset.

Every ton of ore removed from the ground detracts from the potential value of the mine. At Lake Shore, for example, this whittling of the mine's great asset goes on at the rate of some 2,400 tons per day, seven days a week.

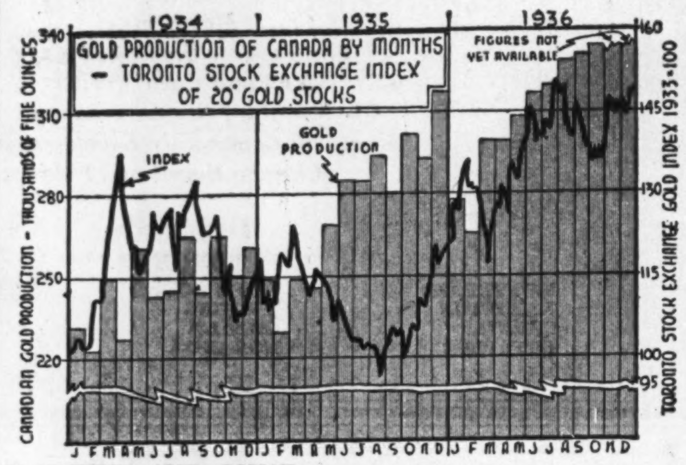
In the early days of Canadian mining, this rapid consumption of assets may not have seemed particularly important in the cases of the large mines in Porcupine Kirkland Lake, and British Columbia. It is hard to interest a boy of 16 in old-age pensions.

Many of Canada's big producers are now, however, reaching lusty manhood, and it is natural that thought should now be given to this problem.

It was not until fairly recently that the large mining companies began to seek ways and means of prolonging their corporate existence. Many have apparently found the solution by developing subsidiary properties.

Important to Investors

It is obvious that this trend is of the utmost importance to investors. One of the reasons that English and foreign capital has not been more eager to enter Canadian mining has been that these capitalists felt that the life expectancy of a Canadian mine was too uncertain. In the early days of the Porcupine and Kirkland Lake camps, for instance, there were those who doubted that ore deposition would go to depth. Much of this doubt was based on the theory that because the ore couldn't be seen, at depth, it did not exist. Even today, after these camps have shown that depth mining has great possibilities, English and foreign subscribers to The Financial Post frequently express concern at the fact that Canadian mines show ore reserves sufficient to supply the mill only two or three years. They fail to understand that blocking out ore in Canada is an entirely different problem from blocking out the reefs of the South African Rand.



MARKET AND MINE

The above chart offers comparison of the market action of Canada's gold shares against output of the mines themselves. Influenced to a great extent by the price of bar gold, the years 1934 and 1935 saw the action more or less out of line with the increasing output of the yellow metal. After changes in the Canadian Federal budget provisions for the mines, and developments in leading currencies promising a more stabilized gold price, market action was influenced by mining developments. Consequently, 1936 saw price movements more in conformity with the increased gold output, both the index of 20 gold stocks and monthly output of Canada's gold finishing the year at an all time record.

Thus the comparatively high yields paid by Canadian producers have little appeal for those who do not understand Canadian mining practices.

It is, of course, true that when the price of gold in terms of dollars rose to about $35 per ounce, the life expectancy of the big camps was enormously increased. This means of extending the life of the large companies, however, has its speculative side owing to sharp differences of opinion as to the future course of gold prices.

Painless Transformation

Far more certain, and equally as effective, is the present policy of most Canadian gold mines, in seeking out, in other parts of the country, new mining operations. The soundness of this policy is generally recognized, so that one finds few Canadian gold mines that have not already some subsidiary operation, or who are not spending large sums annually in seeking one.

Every large mine must eventually run out of ore. Under the policy of seeking subsidiary operations, such mines will then gradually transform themselves into holding companies, with interest centred on one or more subsidiary operations.

This transformation from operating company to holding company has in some cases, already been made, with great success. Nipissing Mines, Anglo-Huronian, Mining Corp. and Castle Trethewey provide examples of this change in status. The following analysis is an attempt to show what some of the present high ranking gold mines are doing by way of seeking heirs who will keep the company in the black after the original property has closed down. Their purpose in doing so is, of course, a long term one, and it would be absurd to conclude that because a company is spending money looking for a subsidiary, its original property is in jeopardy.

Dome

Take the list of major mines in this class alphabetically:

Dome Mines, pioneer gold producer in the Porcupine field, is first. Dome's outside bet is Sigma Mines, which is due to come into production in April, with a 300-ton per day mill.

The property appears to have been efficiently developed, and to have responded well to this development, so that before the end of this year, Dome's income should be augmented from this former Read-Authier property in Bourlamaque.

Hollinger

Hollinger Consolidated Gold Mines, in the Porcupine field, is one of the most active exploration concerns in the ranks of Canadian gold mines. Hollinger, through Hollinger Exploration Co., a wholly owned subsidiary, has spent considerable time and money in recent years in exploration for and development of outside properties. In 1935, for example, some 100 properties in Ontario, Quebec, and Manitoba were examined by Hollinger men.

To date, this exploration has had tangible results in at least two cases, and already these two properties are definitely justifying capital expenditures made on them.

Of these two, **Young-Davidson Mines** has to date been the most important. Young-Davidson, in the Matachewan area of Ontario, started in production in Sept., 1934, on a large tonnage, low-grade basis. Some profit should certainly be realized from this operation in 1936, although development and exploration were extensive. The fact that costs should be less in 1937, and that in the latter part of 1936, the grade at Young-Davidson showed marked improvement, indicates that 1937 profit should be substantial. After Young-Davidson has repaid to Hollinger the money expended on original development, Hollinger will receive 80% of net profits.

Ross Mine

Another Hollinger "heir" is the **Ross Mine,** near Ramore on the T. & N. O. Railway. The Ross Mine started in production, under Hollinger guidance, in Jan., 1935. Production results have varied sharply from quarter to quarter, and the operation does not yet appear to have struck its stride.

In addition to these two producers, Hollinger is active on many properties at the present time, chief being properties in the Little Long Lac field, in Newton Twp., Ont., and in Drayton Twp. Recently **Kayorum Gold Mines** was formed to operate a group of Hollinger properties south of Vipond Consolidated in the Porcupine area.

Hollinger, of course, has large sums invested in bonds and other securities as well as in common stocks. For its financing of San Antonio Gold Mines, Hollinger received a block of stock in this dividend payer.

Lake Shore

Lake Shore Mines, the wonder mine of Kirkland Lake, has not been active in seeking a subsidiary operation in recent years. The fact that development at the lower levels indicates ore possibilities to the lowest minable depths, makes any talk of an heir for Lake Shore sound very "long term" talk, indeed. Lake Shore has controlling interest in two properties, **Kirkland-Hudson Bay** adjoining Lake Shore on the south and east, and **Minaker Kirkland Gold Mines,** an inactive prospect in Teck Twp. Both these properties, however, are apparently a long way from contributing anything to Lake Shore's income.

McIntyre-Porcupine

McIntyre-Porcupine Mines, in addition to building up a large reserve and a strong liquid position, has been outstandingly active in searching for new properties. McIntyre was one of the first companies in the Mud Lake field of Quebec, and has now two subsidiary companies developing adjoining properties, **Beauplace Mines,** and **Belleterre Mines.** Beauplace is capitalized at 100,000 shares, of which McIntyre owns 80,000, the remaining 20,000 having been issued to O'Leary Malartic, original owners of the property. Belleterre Mines is capitalized at 1.5 million shares, of which McIntyre is understood to own all the outstanding issue. It is early yet to attempt to gauge the importance of these two subsidiaries to McIntyre, but from the limited amount of information available, both appear to be fair prospects.

Form Solidago

In 1936, McIntyre consolidated a group of properties adjoining Coniaurum Mines in the Porcupine field, and formed **Solidago Mining Co.** to develop them. Further interests of McIntyre in Porcupine are represented by its holdings of **Porquin Gold Mines.** Development is being carried on under the direction of McIntyre. Both properties are geological bets, in that their location supply, to date, their chief attraction.

Not content with being the sensation of the Quebec field in 1936, **O'Brien Gold Mines** optioned a 65% interest in **Cline Lake Gold Mines,** near Lochalsh, Ont., and is sponsoring development of this property. Shaft sinking is now under way, after an encouraging preliminary development programme. Plans for a mill are reported to be under consideration but it is probable announcement will await results of underground development.

Premier

Some Canadian companies have gone far afield to find subsidiary operations. **Premier Gold Mining Co.,** for instance, which has since 1930 been operating the Toburn Mine, at Kirkland, has now a 40% interest in an Australian property. The Big Bell and Little Bell properties, in the Murchison district of Australia are, according to informed reports, shaping up well as large tonnage low-grade operations, and will in all probability make their contribution in due time to Premier's income.

Premier, now principally a holding and exploration, is typical of how, under aggressive management, a company can undergo such important operations without affecting the equity of shareholders. In 1935, the company transferred its main operating property, the Premier mine, to Silbak Premier, forming a merger of three adjoining properties.

In addition to these interests, Premier has properties in the Portland Canal section of British Columbia, and in other parts of Canada of potential importance.

Teck-Hughes

Shareholders of **Teck-Hughes Gold Mines,** who paid anything up to $12 per share for this stock, would not be in a particularly enviable position at the moment had the management of the company not bolstered Teck's position by successful development of the Lamaque property in Bourlamaque Twp., Quebec. As it was, Teck-Hughes appears to have obtained a good bargain in Lamaque, in which company it owns a 70.8% interest.

For the 11-month period ended Nov. 30, 1936, balance carried to surplus was estimated at $748,786, or 24.9 cents a share. Lamaque cannot pay a dividend to its shareholders until after it has paid off the bonded indebtedness to Teck-Hughes. This it is in a strategic position to do very shortly.

At last report, estimated reserves of blocked out and broken ore at Lamaque were 464,330 tons, valued at $5,650,580 or about $12.16 per ton.

Teck-Hughes is obviously not content with its success at Lamaque, and is one the alert for new properties. At time of writing, Teck is reported to be negotiating for control of the Martin-Bird property at Larder Lake, Ontario.

Base Metals Follow Policy

These are all gold properties. Canada's base metal operations have also adopted this policy, as can be seen in such cases as Consolidated Mining & Smelting Co., and Noranda. The former company is active over a widespread area, and has interests in gold developments in Nova Scotia, Chibougamau, Ontario, Saskatchewan and British Columbia. Noranda's chief outside asset is the Pamour Porcupine development.

B. C. Mines Pay $9.9 Millions

From Our Own Correspondent

VICTORIA.—Preliminary estimates for mining dividends paid in British Columbia for all of last year are placed at $9,947,812, exclusive of a capital distribution made by the Granby interests amounting to $4,500,000.

Cash dividends increased by $2,561,742 from the year previous, Dr. John F. Walker, provincial mineralogist announced.

At nearly $10,000,000, mining dividends in the province have increased steadily from $3,042,213 paid in the same manner in 1932; though in the latter year there was in addition a stock dividend by the Consolidated interests.

Total cash dividends in British Columbia mining enterprises in 1935 were $7,386,070, and in 1936 they were $9,947,812.

Form Armont Gold For Porcupine Area

Armont Gold Mines, holding 520 acres in eastern Porcupine gold area, has been formed with an authorized capitalization of 3 million shares, of which approximately 1,200,000 shares were outstanding at the first of the current year. The main occurrence is described as a well defined quartz porphyry dyke, which was traced for some length by previous private operations. The present management is diamond drilling intensively to probe the occurrences at depth.

Maralgo Gold Mines Listed in Toronto

Maralgo Gold Mines, which acquired undertakings of Algoma Mining and Finance Corp., Lake Maron Gold Mines, Greater Canada Mines Corp. and Langmuir Long Lac Gold Mines, has been approved for listing on the Toronto Stock Exchange. Code will be MAL. Authorized capitalization is 3,000,000 $1 par value shares, of which 2,140,005 were issued as of February 11. Shares are exchangeable into Maralgo Mines on basis one for four Algoma, one for four Lake Maron, one for five Langmuir Long Lac and one for 10 Greater Canada. Algoma and Lake Maron shares will be removed from the trading list.

Williamson Mines Develops

Williamson Mines has encountered an outcrop of red syenite porphyry on its South Porcupine property. Charles Williamson, now on the ground, reports that on the extreme southeast claim "we have what looks like something well worth opening up," details of which will follow later.

Complete facilities for trading in all listed and unlisted mining issues.

Pitfield & Company
Members:
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET
235 St. James St. W., Montreal
Uptown Branch: WINDSOR HOTEL
Ottawa Saint John Halifax Campbellton

PARKHILL GOLD MINES (1937) Limited
(No Personal Liability)
DIRECTORS AND OFFICERS
SIR THOMAS TAIT—President
A. P. EARLE—Vice-President
GEO. M. McKEE
LT.-COL. CHAS. ADAMS
F. CURZON DOBELL
G. F. RACINE—Secretary-Treasurer
R. D. CAYLOR—Mine Manager
EXECUTIVE OFFICES
Head Office Gold Park, Ontario
1835, Bell Telephone Bldg., MONTREAL
Mine and Mill Gold Park, Ontario

Bankfield Consolidated Mines Limited
(No Personal Liability)
CAPITALIZATION
Authorized .... 3,000,000 shares
Outstanding .... 2,400,000 shares
PAR VALUE $1.00
Property consists of 16 mining claims totalling 728 acres, located on Magnet Lake in the Little Long Lac Area.
DEVELOPMENT
A 100-ton mill is now in course of construction and should be in operation early in April 1937.
DIRECTORS
President: C. D. H. MacALPINE
T. H. STINSON J. H. C. WAITE
JOS. ERRINGTON W. T. McEACHERN
D. M. MORIN H. HUNTER
F. J. BAILES, Secretary-Treasurer
HEAD OFFICE:
100 ADELAIDE STREET WEST, TORONTO, ONTARIO

J.M.SCOTT JR.&CO.
MEMBERS
TORONTO STOCK EXCHANGE
Orders Executed on All Exchanges
350 BAY STREET - TORONTO
Waverley 3881.

Thompson Cadillac Mining Corporation
(No Personal Liability)
DIRECTORS AND OFFICERS:
W. H. MINER—President
ANDREW WALZ—Vice-President and Managing Director
GEOFFREY F. RACINE—Secretary-Treasurer
HAROLD J. INNS
GORDON C. SEYBOLD
HEAD OFFICE
1835, Bell Telephone Bldg., Montreal
Mine and Mill: Kewagama, P.Q.

LITTLE LONG LAC GOLD MINES, LTD.
(no personal liability)
CAPITALIZATION
Authorized .... 2,000,000 shares no par value
Issued .... 1,833,000 shares
Property
Consists of 35 claims, approximately 1200 acres at Little Long Lac, Ontario. The property is east of the Nipigon Forest Reserve and two miles south of Geraldton.
Development and Production
Little Long Lac came into production late in November, 1934. It is now milling approximately 250 tons daily.
OFFICERS AND DIRECTORS
JOSEPH ERRINGTON, President, Toronto
THAYER LINDSLEY, Vice-President, Toronto
L. A. MacDONALD, Secy.-Treasurer, Toronto
A. B. GORDON, Director, Toronto
D. M. HOGARTH, Director, Toronto
D. M. MORIN, Director, Sudbury
HEAD OFFICE
25 KING ST. WEST
TORONTO, ONT.
MINE OFFICE
GERALDTON, ONT.

PICKLE CROW GOLD MINES LIMITED
(No Personal Liability)
Head Office and Mine Office: Pickle Crow, Ontario
Toronto Agency: 25 King St. West
Transfer Agents: Trusts & Guarantee Co., Toronto, Ont.
Chartered Trust & Executor Co., Montreal, Que.
OFFICERS AND DIRECTORS
President: J. E. HAMMELL
Vice-President: A. L. SMITH
Secretary-Treasurer: ROBERT FENNELL, K.C.
Ass't Sec.-Treas.: J. BLAND
Director of Mining: B. H. BUDGEON
Director: E. HAMMELL
Mine Manager: A. G. HATTIE

Platinum Markets

Canada, Leading Producer of the World, Vitally Interested

By CHARLES ENGELHARD,
President of Baker & Co.,
Newark, N.J., & Toronto.

World purchases of platinum metals, including palladium, in 1936 will probably exceed 400,000 ounces, judging from indications received just before the year's end. This establishes a new record in the use of these metals and a remarkable gain over the 1935 figure of 275,000 ounces. While some platinum metals have been purchased during the year for speculative purposes or as an investment, the volume of actual consumption in the arts and industry and the diversity of uses to which these metals have been put, is a further evidence of the effectiveness of progressive research and the orderly development of markets for them.

World production, outside of Russia has increased, primarily because, with nickel mines and refineries operating at an unprecedented rate, the amount of platinum recovered from Canadian nickel ores has been correspondingly larger. The situation in Russia is not definitely known, except that Russia apparently withdrew from world markets during the summer. Presumably, however, production in Russia has not fallen off. Production in South America and South Africa has been normal, as has also the world secondary production.

In general, the improvement in the demand for the platinum metals is a continuation of the trend which began about halfway through the year 1935. Superimposed upon this, however, was a spectacular rise in price, which received its real impetus from an unanticipated improvement in world demand coupled with speculative and investment buying. During the six-month period from April to September, the price of platinum went from $33 an ounce to $70, and subsided toward the year-end to the more normal figure of $48.

More Weddings—More Platinum

In this period purchases of platinum alone were at a rate in excess of 300,000 ounces a year, and it was not unnatural for the trade to be concerned about supplies in the face of such an abnormal demand.

The jewellery industry continued to be a most important user of the metals. The amount of platinum going into jewellery continued to reflect the accelerating rate of industrial and business recovery as well as the recovery in the marriage rate. Jewellery remains a reliable barometer of prosperity and since platinum is the accepted material for wedding and engagement rings and finer settings, increased buying of jewellery is immediately echoed in larger demands for platinum, iridium, and palladium.

Platinum and palladium have been standard materials for dental work for many years, and their position was further strengthened this year as a result of investigations which covered the range of metals used by dentists. These studies indicate that no other materials compare favorably with the precious metal alloys of platinum-gold-palladium for dental structures, because they are strong and impervious to attack by the acids in the mouth and are readily cast and shaped to the complex forms required.

Platinum-clad material progressed from the discussion stage to one of usefulness in industry. Platinum-cladding consists of bonding a layer of platinum to a thicker bar of some other metal and working the two down to the desired thickness so that the platinum becomes an inseparable surface for the baser metal. Thus platinum's remarkable resistance to corrosion is made economically available in laboratories and industries, where use of platinum alone in sufficient thickness to provide necessary strength is considered too costly. Platinum-clad material thus is practical for reaction vessels formerly considered too large to be made of this metal.

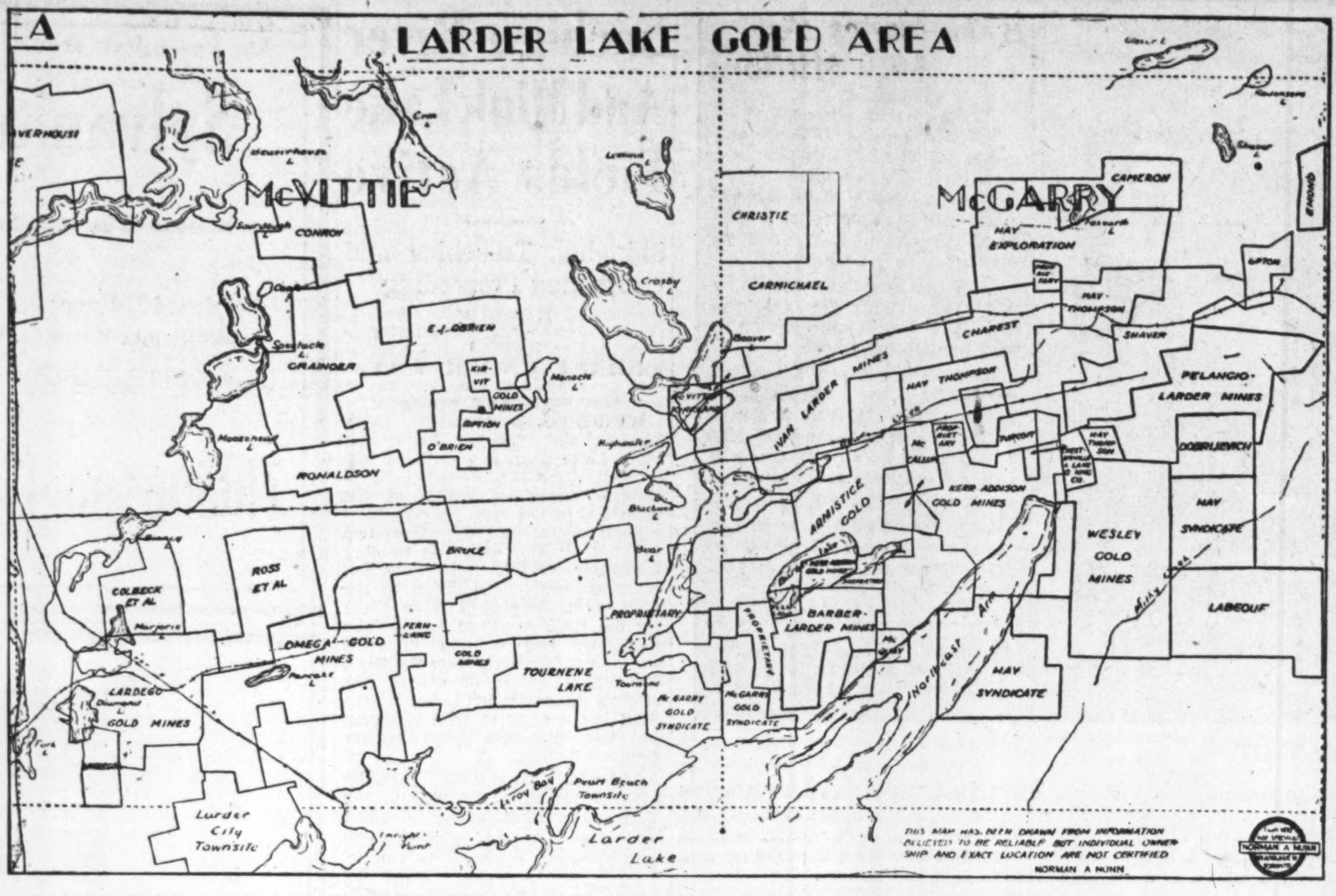
In addition, there have been increases in the use of platinum and palladium for electrical contacts and of platinum and rhodium for such applications as spinnerets for extruding glass fibres. Platinum and platinum-rhodium catalysts, used in the synthesis of sulphuric acid and of nitric acid, have also been in larger demand. This is a reflection of the increased output of such acids, the bulk of which are produced with catalysts of this kind.

An interesting sidelight on the consumption of platinum is to be found in activities which some nations are taking to assure a domestic supply. This is especially remarkable in Japan where encouragement has been given to the purchase of inexpensive platinum jewellery, particularly rings. Another interesting reaction to platinum metals arose in Germany from the policy of restricting the use of gold for other than monetary purposes. Among other things, this has resulted in an increased usage of platinum and palladium for good dental structures.

The progress of palladium during the year has been especially remarkable. Though the valuable properties of this metal have long been known to scientists, they have been overshadowed by the fame of platinum. Recently the public has begun to appreciate the fact that palladium possesses the same handsome color as platinum and is highly resistant to corrosion and tarnish. This has resulted in its greater use in jewellery.

F. Curzon Dobell,
B.A., B.C.L.
Barrister and Solicitor
437 St. James St. W.,
Montreal

Counsel for:
Basin Gold Mining Corporation
Brown-Bousquet Mines Limited
Canadian Enterprises Limited
Dupark Syndicate Limited
Ferguson Exploration Limited
Mining Projects of Canada Limited
Nortrac Mining Company Limited
Nubell Gold Mines Limited
Parkhill Gold Mines Limited
Parkhill Gold Mines (1937) Limited
Pre-Cambrian Holdings Limited
Rosco Development Company Limited
Selected Mine Equities Limited
Thompson Bousquet Gold Mines Ltd.
Thompson Cadillac Mining Corporation
Westwood Cadillac Mines Limited
Wood-Cadillac Mines Limited


LARDER LAKE GOLD AREA
McVITTIE
McGARRY
KERR ADDISON GOLD MINES
Larder City Townsite
Pearl Beach Townsite
Larder Lake
THIS MAP HAS BEEN DRAWN FROM INFORMATION BELIEVED TO BE RELIABLE BUT INDIVIDUAL OWNERSHIP AND EXACT LOCATION ARE NOT CERTIFIED
NORMAN A NUNN

Geologists' Duties Include Square Deal For Mine Investors

Dr. T. L. Gledhill Fears Ethics Lagging Behind Technique

By T. L. GLEDHILL, Ph.D.

Mining as a business is progressing steadily and is being put on a more efficient basis each day. Although the mechanical progress has ben rapid the ethics of mining are not always the best. This feature has been overloked in mining because mining is not an over-the-counter business. In a good grocery store the owner believes that with fair treatment, the old customer will return to the old stand. This might be considered the goodwill of the mercantile business, but why should goodwill not be cultivated in mining?

Many of the ethical ills in mining companies and their relations to the public can be cured by the geologist or engineer flatly refusing to countenance anything that smacks of dishonesty or misrepresentation on the part of the company or its officials. When an engineer finds these conditions prevail in the company he should resign at once and if necessary notify the press of his resignation. It is not difficult for a qualified geologist or engineer to secure work in Canada, and he therefore should not hesitate to bare the facts. He should, of course, be sure of his facts, otherwise he might be subject to a suit for libel.

Mining operations for a mining company should be conducted by a man trained in geology or mining. Such a man is less likely to make errors of judgment than one not qualified. A number of mining companies are guided by members of the legal profession. The legal man should stick to his law practice. Lawyers have no experience in any phase of engineering and it is doubtful if they could build a hen house. Usually a member of the legal profession handling the mining company's business has a clear conscience if the company's business is correct according to law and he does not usually worry about the moral side of the proposition. Lawyers as well as engineers should throw out any scheme that in their opinion will result in misleading the public. Such a process would kill any unworthy idea before it could cause the public any harm.

A mining engineer or geologist should use extreme care in presenting results to the company employing him, or to the public; premature ideas are very misleading. One good diamond drill hole does not make a mine. The result of work should be given as obtained and not dressed up so that the poor results are glossed over. Any feature that might penalize an ore or prevent its commercial treatment should be disclosed by the engineer in charge.

Now Highly Trained

In the old days an engineer graduated from the ranks of the miners, but now he must be a highly trained man with a good technical background. There might be some excuse for misrepresentations by the old type of engineer but none for the present type who should be fully aware of the injury he can do his profession and the mining business by being careless in the statements or in his deductions.

A geologist or mining engineer is not always dealing with the ethics of his profession. He is busy gathering facts on new ore bodies or on producing mines. It is his business to keep the industry supplied with new mines to replace the exhausted ones. There is a tendency at present for the technical man to shoulder more and more of the executive duties of mining. A good engineer should have a marked display of executive ability, business experience, and financial insight. Mining is turning more and more from a rule-of-thumb trade to a profession. In mining as in other business wrong guesses are costly, causing loss of time, money, and life.

The main prize in mining is a worth-while ore body and an ore deposit of great value should command the best technical brains for its development. A step in the wrong direction in mining frequently wastes the initial money set aside for the development work. If poor or indifferent results are obtained at the start the backers of the proposition may become discouraged, thus shutting down a worth-while operation.

More University Men

The tendency at present in Canadian mining is to employ more and more university men for those positions in a mine demanding expert knowledge in the conduct of the operation.

A geologist or mining engineer should have the courage of his convictions after examining carefully all the facts that bear on his particular problem. If a mining engineer is nervous about recommending a new property to his company for development and if the main reason for his hesitancy is a poor understanding of the structural geology controlling the ore deposition he should in this case consult with his geological friend. In many instances useless work would be prevented, and new ore bodies would be developed that otherwise would be turned down in the prospect stage.

Many Quacks

The mining engineer or geologist should be a champion of a square deal for the shareholders of any mining company he may be working for. In the business of mining many quacks and charlatans have crept in who promise to find ore bodies promptly for gullible, nontechnical directors of new mining companies. If the directors would only stop to consider this type of hoax, they would ask themselves why such quacks are not permanently on the payroll of large mining companies. A large amount of money is spent on these useless methods which have in any case to be followed up by diamond drilling or underground work.

In mining as in other businesses there are self-taught experts who suddenly appear from nowhere when a big demand is felt for geologists or mining engineers. Legislation has not got around to deal with these charlatans, who, if they are allowed to carry on mining operations underground, will surely endanger the lives of the miners and the bank balance of the mining company. By incorrect work they may cause great loss of money or even lives.

Foreign Competition

Canada at present is having an influx of mining engineers and geologists from other countries especially the United States. This is quite permissible if these men represent outside capital, for they are welcome, but engineers who come here to compete with graduates of Canadian Universities in a professional way should be discouraged from entry into the country, mainly because their training and experience elsewhere are quite useless under our Canadian mining conditions and they are at sea most of the time.

Any engineer should guard the resources of his company and should prevent waste and extravagance. Some mining companies have mines so rich that even poor management cannot spoil them, but these mines are the exception.

A geologist or mining engineer should have a good working knowledge of business and mining law. He should be conversant with the mining act of the various Canadian provinces so that he can protect the company's mining claims. He should understand the law with regard to the surveys of mining claims and should be able to tell when the work is well done.

It will be easily seen that any injustice in mining toward the public can be readily nipped in the bud by the legal adviser of the company who may detect a flaw in the ethics of the company's policy or by the geologist or mining engineer who may see a gross misrepresentation of fact in a description of the value of a mining property in a prospectus or in the report of the results obtained in sampling or mill recovery. Let the technical mining men of Canada promote legislation to keep out mining charlatans from the business and conduct their own respective duties so that shareholders in Canadian mines will get a good run for their money, thus maintaining and swelling the industry.

Dr. T. L. Gledhill No "Theorist"

Dr. Thomas Lloyd Gledhill, author of the accompanying article, is a consulting geologist, with headquarters in Toronto. After taking his B.A. and M.A. at the University of Toronto in 1919 and 1920 respectively he received his Ph.D. degree at the Massachusetts Institute of Technology in 1926. In addition to his academic experience, Dr. Gledhill has had wide and varied practical experience in the field. For some years he served on the staff of the Dominion and Ontario Department of Mines as geologist. For some years he has been in private practice in Toronto. His views therefore are by no means those of a mere theorist.

WOOD CADILLAC MINES LIMITED
(No Personal Liability)
Authorized Capital . . . . 4,000,000 shares

OFFICERS AND DIRECTORS
F. CURZON DOBELL, Montreal, Que., *President*
AUGUSTE CHEVALIER, Montreal, Que., *Vice-President*
J. A. BELANGER, Montreal, Que., *Director*
A. R. CHIPMAN, Montreal, Que., *Director*
W. A. LANDRY, Montreal, Que., *Director*
L. H. D. SUTHERLAND, Montreal, Que., *Director*
F. R. TURNER, Toronto, Ont., *Director*
C. B. TURNER, Montreal, Que., *Secretary-Treasurer*

HEAD OFFICE
Suite 803 — Bank of Nova Scotia Building,
437 St. James St. West,
MONTREAL QUEBEC

WESTWOOD CADILLAC MINES LIMITED
(No Personal Liability)
Authorized Capital . . . . 3,500,000 shares

BOARD OF DIRECTORS
F. CURZON DOBELL, Montreal, Quebec, *President*
D. C. McWATTERS, Noranda, Quebec, *Director*
W. A. HASTIE, Noranda, Quebec, *Director*
J. A. LAROCQUE, Montreal, Quebec, *Director*
J. A. BELANGER, Montreal, Quebec, *Director*
C. B. TURNER, Montreal, Quebec, *Secretary-Treasurer*

HEAD OFFICE
Room 803 — 437 St. James St. West
MONTREAL QUEBEC

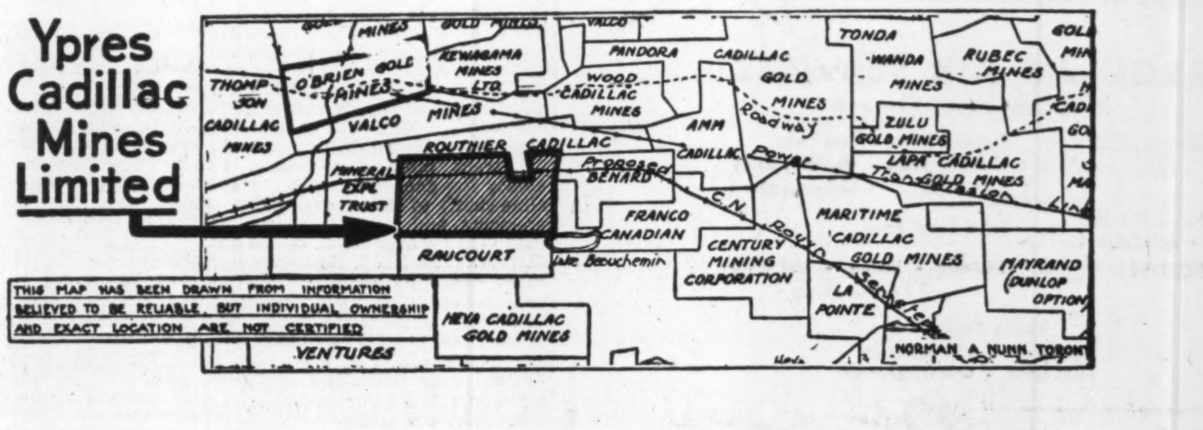
PUSH CARS—HAND CARS
MOTOR CARS
For Standard or Narrow Gauge
THE SYLVESTER MANUFACTURING
COMPANY LIMITED
LINDSAY CANADA

Wires & Cables
For Every Purpose
Mine Telephones
Complete Safety Installations
Power Apparatus
Motor • Pumps • Controls, etc.
Illumination
Safety Units of All Types

When modernizing mine property, remember that Northern Electric offers a truly comprehensive electrical service for the mining industry. Through its nation-wide chain of 19 branch warehouses, its products are available FASTER, enabling you to avoid lengthy shut-downs, which are costly. Write today for complete information on Northern Electric Mining equipment.

Northern Electric
COMPANY LIMITED
A NATIONAL ELECTRICAL SERVICE

Why we recommend the purchase of
YPRES-CADILLAC MINES LTD.
(No personal liability)



Early last November, after preliminary report by Dr. Way, the Company's geologist, showed formations on the Cadillac claims of Yyres-Cadillac, to be similar to those on the property of O'Brien Mines, approximately half a mile distant, development work was started on the property under Dr. Way's direction.

This work has been pushed steadily and intensively since, with additions to crew and equipment being made as required. Announcements of results have been made to shareholders from time to time.

Last week, drilling was initiated to determine the extent of two heavily mineralized dykes exposed for considerable distances by surface development work. After this work on the western section of the property has been completed, drills will be moved onto the exposed sections of the dykes on the eastern claims.

In addition, during this period the Company acquired a second property which should be of advantage to shareholders. This property in Montbray Township, Quebec, adjoins the strike of U. S. Smelters.

The company is well-managed and in strong financial position.

We have consistently advised the purchase of this stock since last November and consider it most attractive at the present time. We advise buying immediately at prevailing market prices. Orders may be placed through your broker or wired to us direct. We will also be glad to send complete information, development bulletins and maps. Our weekly bulletin on the mining markets is also available without charge.

GOLD & METALS EXPLORATION CO.
Suite 45 — 171 Yonge St.
TORONTO, ONT.
ELgin 0237

Suggests Mines Might Pay Off National Debt

Bennett Proposes Dominion Operate Own Field in Northwest

HIGHER TAX URGED

The suggestion of Rt. Hon. R. B. Bennett that the Dominion Government should take advantage of its ownership of natural resources in the Northwest Territories by taking a plunge into the mining business, has quite naturally aroused a good deal of interest.

Speaking in the House of Commons on the estimates for the Dominion Department of Mines, Mr. Bennett urged a heavier tax on the mining companies.

He added:

"I have no doubt that it would be desirable for the Dominion Government to carry on gold-mining operations in the Northwest Territories. If we should be successful in finding a large deposit of gold it would enable us to make a payment of our national debt on a scale that otherwise is denied to us, for the only method by which we can hope to make any large payment on that obligation is through some effort of that kind. The same applies to some of our Provinces."

Hazards Seen

Commenting editorially on Mr. Bennett's suggestion, the Winnipeg Free Press says:

"The objection that many people will have to this proposal is the hazardous nature of the gold mining industry. They compare the amount of money that has been sunk in the ground and lost with the amount of gold that has been produced. The greater knowledge of geology and the improved methods and greater caution shown by mining companies nowadays may have reduced the hazard to some extent, but that is still the argument likely to be raised against government operations.

"If the Dominion Government went into gold mining, and the Provinces also, as Mr. Bennett suggests, why not go into the production of other minerals too, in which the hazard might be no greater and perhaps less? Isn't Mr. Bennett afraid he may some day find himself in the C.C.F. camp?

Taxing Gold Mines

"As for taxing the gold mining companies, he says that Canada is the only country that imposes on them only the regular corporation income tax. In South Africa, he says that half the increase in the value of gold is taken by the government, and that the great Premier Mine pays the government 60% of its profits.

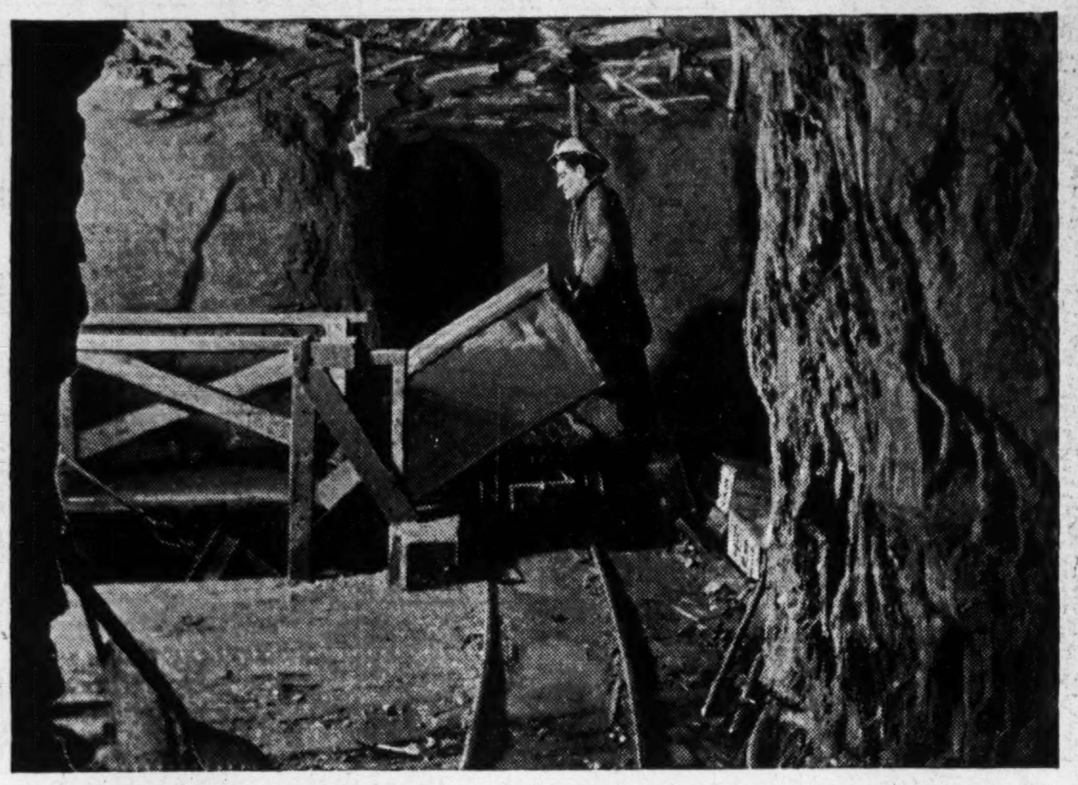
"The view of the Government at Ottawa has been that the country will really benefit more by stimulating the industry and increasing gold mining operations and investments through moderate taxation than by taking a larger share of the profits.

"Mr. Crerar, Minister of Mines, told Mr. Bennett that gold production increased from $116,000,000 in 1935 to $131,000,000 last year. Thirty new gold mining properties came into production in 1936, and there would likely be eight or ten more within the next four or five months.

"The gold mining operations provide an increasing market for supplies and equipment and for food products. Operating expenses are heavy and most of the money is spent on equipment and wages—which means farm products and various other needs of the miners. And to encourage mining operations is to encourage employment.

"To the extent that gold mining advances the general welfare and prosperity of the country, it increases the productivity of all other forms of taxation.

"There are thus two sides to the question of taxing the gold mining companies."



END OF MILLION YEARS' WAIT

For millions of years the gold-bearing ore has waited under Canada's hinterlands, to be found by ever-searching man. The photograph above, taken far underground in an Ontario mine, shows the ore starting on its long trip to the sunlight above and to the mill. In mining parlance, the man in the photograph is known as a trammer. His job is to load the ore into a skip from the car, to be whisked to the surface, where it will in short order be transformed from rocks to pebbles to dust to gold and tailings.

Explore Copper At Powell Rouyn

Diamond Drilling To Be Resumed in View of Better Market

Powell Rouyn Gold Mines, adjoining the Noranda in Rouyn, will proceed to examine the F copper discovery on its property.

In reporting on this F showing to former owners in 1931 Andrew Walz, consulting engineer, gave his findings from then shallow drill holes as indicating an important ore body 350 ft. in length—average width 4.1 ft.—running 7.88% copper and 4.5 oz. silver per ton on which, with improved copper markets, the company's officers contemplate resuming diamond drilling.

Current mine development includes the deepening of No. 1 (incline shaft) to 550 ft., with 150 ft. of crosscuts and drifting on Powell gold vein for over 500 ft. on the 500-ft. level. The No. 2, three-compartment operating shaft, located approximately 400 ft. north from No. 1, is already down some 75 ft. The present new plant is capable of mining to a depth of at least 1,000 ft. Official expectation is that it will be in operation on or about March 1, with electrical energy available for sinking to a first objective of 750 ft. and for all other mine purposes.

Preliminary Grade

Preliminary grade estimate is .2 to .25 oz. gold per ton over widths of from 8 to 12 ft. Previous drilling had indicated an ore length of 800 to 1,000 ft. with values running from .188 to .215 oz. gold per ton.

Officers report in excess of $140,000 cash on hand as of February 18, 1937.

B. C., Ontario Lead in List Of Dividends

Record for 1936 Stability of Established Mines

DEBUTANTES HOLD UP

The distribution of dividends by Canadian mining companies in 1936 totalled some $85.3 millions which, compared with the 1935 payments of approximately $61.7 millions, represented an increase of about 38%. No companies which joined the ranks of dividend payers in 1935 failed to make a payment in 1936.

British Columbia and Ontario led the 1936 dividend payers with five companies each, the B. C. properties either being located there or holding charters from that province.

The Beattie Mine in Quebec was the single company to join the dividend debutantes from that province. By far the greatest disbursement among old-time companies was made by International Nickel, which paid out in 1936 nearly $19 millions on its common stock and almost $2 millions on its preferred. An increase of $2 millions was recorded by Lake Shore, which paid out $10 millions as compared with $8 millions the previous year.

Lake Shore took first place among the gold-producing dividend payers and retained second position on the entire list. Noranda, copper-gold producer of Quebec, and Consolidated Mining and Smelting Co., placed third and fourth respectively.

Among the holding companies Ventures joined the charmed ranks. Eleven of the 12 companies making their first disbursements were gold producers. The detailed record of dividend payers is set forth in the following table.

Dividends Paid in Calendar Years

Mine:	Paid and payable in 1936 Total	per sh.	1935 Total
British Columbia:	$	$	$
Asnazu	75,000	.05	......
Bralorne	558,000	.45	372,000
Bulolo Gold ...	2,792,843	2.80	2,444,000
Cariboo Gold ..	99,998	.07½	......
*Consol. M. & S.	6,517,510	2.00	4,235,895
†Granby Con. ..	4,500,000	10.00	2,250,000
Highland Bell ..	15,000	.01	......
°Highland Lass	11,902	.05	52,369
Howe Sound ...	2,405,784	4.85	1,918,853
Island Mtn.	105,072	.10	......
Pioneer Gold ..	1,401,400	.80	1.401.400
Premier Gold .	800,000	.16	650,000
Reno Gold	225,600	.12	263,200
Sheep Creek ...	75,000	.04	......
Ymir Yankee G.	111,250	.05	......
Manitoba:			
Hudson Bay ...	2,759,973	1.00	2,759,973
San Antonio ...	324,228	.14	486,343
Ontario:			
Buff.-Ankerite.	140,336	.20	140,336
Central Patricia	200,000	.08	......
Dome	3,813,336	2.00	3,813,336
Falconbridge ..	1,001,102	.30	1.001,102
Hollinger	4,674,000	.95	4,428,000
Howey	100,000	.02	250,000
Int'l Nickel, c...	18,959,233	1.30	10,938,019
Do., pref.	1,933,899	...	1,933,899
Kirkland Lake .	314,347	.06	157,174
Lake Shore	10,000,000	5.00	8,000,000
Lava Cap	100,000	.04	......
Little Long Lac	549,900	.30	......
Macassa	401,710	.15	401,710
McIntyre	1,596,100	2.00	1,596,000
McKenzie R. L..	203,000	.07	......
Pickle Crow ...	600,000	.20	......
Rosedale	62,500	.05	37,500
Sylvanite	659,900	.20	659,900
Teck-Hughes ..	2,163,215	.45	1,922,858
Toburn	148,000	.08	148,000
Wright-Harg. ..	3,300,000	.60	3,300,000
Quebec:			
Beattie	239,410	.05	......
McWatters	186,051	.10	93,025
Noranda	6,719,316	3.00	4,479,544
Siscoe	968,114	.21	968,114
Miscellaneous:			
Anglo-Huronian	521,042	.40	260,521
Coniagas	95,788	.12½	95,788
Kerr Lake	30,000	.05	60,000
McKinley	56,193	.05	56,193
Nipissing	600,000	.50	150,000
North. Canada.	100,000	.04	50,000
Ventures	196,744	.02½	......
Total	85,411,796		61,774,062

*Former $25 par reduced to $5 par by split in stock in 1936.

†Return of capital

°On June 16, 1936, co. amalgamated with Bell Mines Ltd., forming Highland-Bell Ltd.

Hedley Amalgamated Expands Production

Hedley Amalgamated Gold Mines, in Similkameen mining division of B. C., is moving its diamond drilling station 300 ft. nearer the portal of the low level tunnel so that crosscutting to get under the indicated ore body may begin. The present face of the crosscut, it is estimated, is only about 100 ft. from the ore.

List Bagamac Mines On Toronto Exchange

Bagamac Mines, holding property in Rouyn twp., Quebec, has been approved for listing on the Toronto Stock Exchange, and will be posted for trading February 19, with ticker abbreviation BX. Old shares of Bagamac Rouyn Mines will be removed. Shares are exchangeable one new for four old. New company's authorized capitalization is 3,000,000 $1 par value shares.

Sachigo River And Mink Lake Fields Active

Shipping, Trenching and Drilling Proceeding Rapidly

SHAFT UNDER WAY

From Our Own Correspondent

WINNIPEG. — Favorable Lake, Sandy Lake, Sachigo River and Mink Lake form a wide area just on the Ontario side of the Manitoba-Ontario boundary, which at the present time is a hive of activity.

Back from an inspection trip which took him over the roughly triangular course, Neil Tracy of Winnipeg says, in addition to the 80 men working at Sachigo River for the Sachigo River Exploration Company, one drilling crew is working at Mink Lake on the Birse Richardson group of claims, the original discovery, while Mink Lake Gold has a crew of men stripping and trenching and preparing for diamond drilling.

At Sachigo River shaft sinking by power is already under way, with a temporary headframe. Another Diesel has reached the property and a permanent headframe will be erected almost at once when the work will be pushed ahead rapidly. Practically all the freight is now either in the camp or is on the way, a total of about 500 tons having been shipped via Ilford. Early unsatisfactory conditions were completely changed by steady and continued cold weather and the long haul of 240 miles has been accomplished in fast time and without incident.

Buildings Complete

Camp buildings are just about complete with the finishing touches being put to a large warehouse, 40 x 80 ft. A 24-bed hospital has been erected and the necessary office and bunkhouse accommodation for the crew.

There are five other outfits planning on drilling during the coming summer, most of which have already been turned into company form. These include Central Sachigo, Walsh Sachigo, the Hurley-Baker group and the Davidson group. All of them are closely tied to the original stakings, east, west and to the south. Good showings have been found on some of them though in the limited time it has not been possible to do a great deal of surface work.

Approximately 200 tons of freight have been flown from Berens River to the Berens River Gold Mines at Favorable Lake, a Newmont undertaking and a considerable sized crew of men is at work there. Camps are completed and shaft sinking will be under way very shortly. North of Favorable Lake at Big Sandy Lake, Prospectors Airways have several large groups of claims and have tied up everything that looks to have a good showing.

Sylvanite Gold Mines, Limited

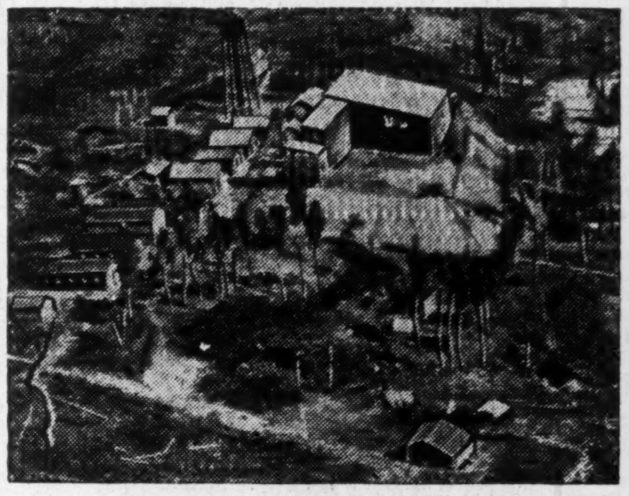
(NO PERSONAL LIABILITY)

Incorporated under the Laws of the Province of Ontario Authorized Capital $3,300,000

OFFICERS:

Edward L. Koons .... President
William L. Marcy .... Vice-President
William S. Walton .... Secretary
Clark L. Ingham .... Treasurer
Welles V. Moot, Managing Director
C. E. Rodgers ...... General Manager

HEAD OFFICE:
KIRKLAND LAKE, ONTARIO
BUFFALO OFFICE:
300 ERIE COUNTY BANK BUILDING, BUFFALO, N.Y.



Aerial View of Mill, Mining Plant and Buildings.

McKenzie Red Lake Gold Mines Limited

(NO PERSONAL LIABILITY)

CAPITALIZATION - - - - - - - - - - 3,000,000 Shares
ISSUED - - - - - - - - - - - - 2,900,000 Shares

OFFICERS AND DIRECTORS

President W. G. ARMSTRONG
Vice-President F. D. REID
Secretary-Treasurer H. M. ANDERSON
Managing-Director M. F. FAIRLIE
Director G. W. QUINN

Transfer Agents and Registrars
CHARTERED TRUST AND EXECUTOR COMPANY
34 King Street West, Toronto, Ontario

Auditors
STIFF BROS. & SIME
Toronto, Ontario

Head Office: 705 National Bldg., Toronto Mine Office: McKenzie Island, Ont.

WILSON & CO.

Members
The Toronto Stock Exchange

Telephone
WAverley
2956

302 BAY ST.
TORONTO

TRAVEL Skyways

REGULAR AIR SERVICES
in Quebec and Ontario

SENNETERRE to Florence River - Rose Lake
Cameron Lake - Wedding River
Opemiska - Chibougamau

HAILEYBURY or ROUYN to Mud Lake Area

ROUYN to Malartic - Siscoe - Val d'Or and Pascalis Areas

Radio Stations at
ROUYN - SCHUMACHER
MUD LAKE - CHIBOUGAMAU

Dominion Skyways Limited

Operating Newfoundland Skyways Limited, Labrador

President H. de M. MOLSON
Vice-President Air Vice-Marshal W. A. BISHOP, V.C.
Man.-Director C. R. TROUP

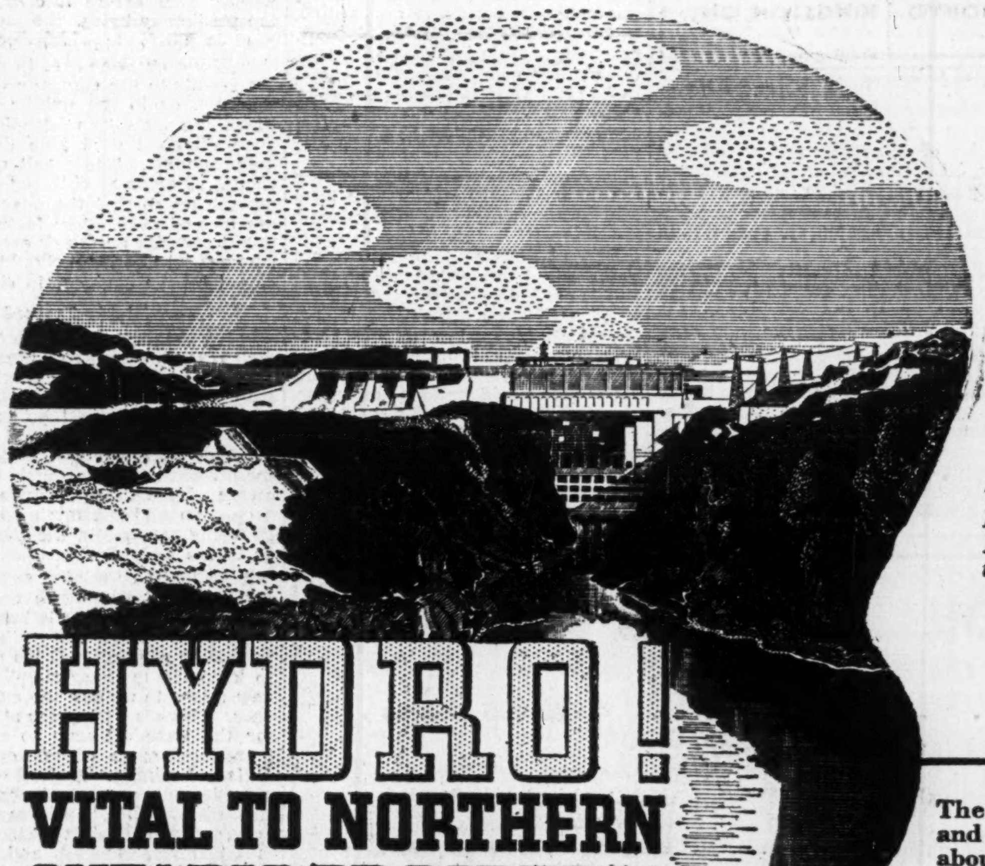
ARNTFIELD GOLD MINES
LIMITED (No Personal Liability)

ARNTFIELD MINING SYNDICATE
LIMITED

ARNCOEUR GOLD MINES
LIMITED (No Personal Liability)

Through their expanding interests and operations these closely affiliated companies are making an important contribution to Canadian mining development.

Executive Offices
159 Bay St. Toronto



The Hydro-Electric Power Commission's Plant which serves over twenty Mines in the Abitibi District.

HYDRO!
VITAL TO NORTHERN ONTARIO PROGRESS!

Northward, the power lines of Hydro penetrate—into areas which but yesterday were a wilderness.

Over lands and lakes yet to be mapped Hydro carries its life-giving energy to settlements in the making.

When gold is discovered, wealth waits on power to supply mine and mill and smelter—electrical energy is essential to their development.

The new wealth created by the mining industry in Ontario will approximate two hundred millions of dollars this year.

And while Hydro is helping to bring the Mines of the North to production, it is also supplying the needs of the community that grows up around these golden shafts.

Hydro is now supplying 84,000 h.p. and serving thirty-nine properties in this rapidly expanding area. This will be materially increased this year.

Hydro is today an integral part of the great north country's rich development.

The HYDRO ELECTRIC POWER COMMISSION of Ontario

T. STEWART LYON
Chairman
HON. ARTHUR W. ROEBUCK, K.C., M.L.A.
Commissioner
HON. THOMAS B. McQUESTEN, K.C., M.L.A.
Commissioner
A. MURRAY McCRIMMON
Secretary and Controller

The following Districts and Mines are served, or about to be served, by the Commission in Northern Ontario.

ABITIBI CANYON DEVELOPMENT
Bidgood Kirkland Gold Mines Limited
Buffalo Ankerite Gold Mines Limited
Central Porcupine Mines Limited
Delnite Mines Limited
Falconbridge Nickel Company
Glenora Gold Mines Limited
Kirkland Gold Rand Limited
Hallnor Gold Mines Limited
Hollinger Consolidated Gold Mines Limited—Young-Davidson
Hollinger Consolidated Gold Mines Limited—Hislop
International Nickel Company (25-cycles—two contracts)
Matachewan Consolidated Mines Limited
Moneta Porcupine Mines Limited
Northern Canada Power Corporation
Omega Gold Mines Limited
Pamour Porcupine Mines Limited
Paymaster Consolidated Mines Limited
Porcupine Lake Gold Mining Company Limited
Preston East Dome Mines Limited
Vimy Gold Mines Limited

SUDBURY DISTRICT
International Nickel Company
Falconbridge Nickel Company

ESPANOLA DISTRICT
McMillan Gold Mines Limited

ST. JOSEPH DISTRICT
Central Patricia Gold Mines Limited
Pickle Crow Gold Mines Limited
Albany River Mines Limited

THUNDER BAY DISTRICT
Bankfield Gold Mines Limited
Hard Rock Gold Mines Limited
Leitch Gold Mines Limited
Little Long Lac Gold Mines Limited
MacLeod-Cockshutt Gold Mines Limited
Northern Empire Mines Company Limited
Sand River Gold Mining Company Limited
Sturgeon River Gold Mines Limited

RED LAKE DISTRICT
Howey Gold Mines Limited
McKenzie Red Lake Gold Mines Limited
Red Lake Gold Shore Mines Limited
Gold Eagle Gold Mines Limited
Madsen Red Lake Gold Mines Limited
Skookum Gold Mines Limited

HYDRO IS YOURS . . . . . USE IT

Nova Scotia Applies Scientific Methods To Mine Problems

Coal Finding Increasing Market in Central Canada — Gold Production Shows Increase Under New Method

The province of Nova Scotia boasts the most extensive gold fields in Canada.

This field extends a distance of 300 miles, the full length of the province's mainland. That this extensive field is not more productive is due to a number of reasons, one of the chief being that to date, most of the gold mined has been from rich pockets which have only occasionally been able to sustain prolonged profitable operations.

Another reason for the failure of this field to develop more rapidly has been that until last year, accurate geological knowledge of the gold fields was not available to prospectors.

By the combined efforts of the Federal and Provincial Governments, and with the aid of large Central Canada mining companies, Nova Scotia's mining is at last putting itself on a scientific basis

Technical services are being rendered to the mining men. Surveys have been conducted for the establishment of base lines in the hundred or so gold districts strung out along the 300-mile front. Diamond drills have been placed at the disposal of bona fide prospectors. Modern scientific methods are being applied to the actual mining, and in some cases the Government has actually assisted in the installation of ball mills, for experimental use. By the extension of power lines, cheaper power has been made available.

It has not taken long for this scientific approach to show effect. Gold production has increased steadily each year since 1933. In that year, gold production was 1,335 ounces. The following year it was 3,667 ounces. In 1935, production was 9,051, and in 1936, production was estimated at about 11,000 ounces.

Nine Record Production

In 1936, some 19 operators were in the province, of which nine recorded production. This compares with 11 operations, and seven producers in 1935.

Coal production is still one of the fundamental industries of the province, and with the hearty co-operation of the Minister of Public Works and Mines, Hon. Michael Dwyer, coal producers are making sustained attacks on central Canadian markets.

In this regard, Mr. Dwyer, in an article appearing in a recent issue of The Canadian Mining Journal, stated in part:

"Every industry is dependent upon the law of supply and demand. Remembering this, let us first consider our resources of coal. Our existing collieries, equipped as they are today, are capable of producing yearly three million more tons than were hoisted during 1936. The coal reserves of Nova Scotia, which includes seams of one foot or over to a depth of 4,000 ft., are estimated at more than 2,076,000,000 metric tons, and it is probable that we have a reserve of more than three times that amount. These figures assure an adequate supply.

"Demand must rest largely, if not entirely, within our Dominion. During the past year our Maritime market improved encouragingly but considerable foreign coal is still being used in Nova Scotia, and Nova Scotia coal never has enjoyed anything approaching an exclusive market in the province.

"Another point of encouragement is the fact that coal shipments to the St. Lawrence ports during 1936 were the greatest in history, and 128,000 tons more than the previous high total. This coal is used in Quebec and Ontario, and users there have found that Nova Scotia's product is a high-grade bituminous coal with low ash and low moisture content, and can be used successfully with all types of mechanical stokers, including pulverized fuel equipment. It is free-burning and easily ignitable and has excellent storage properties.

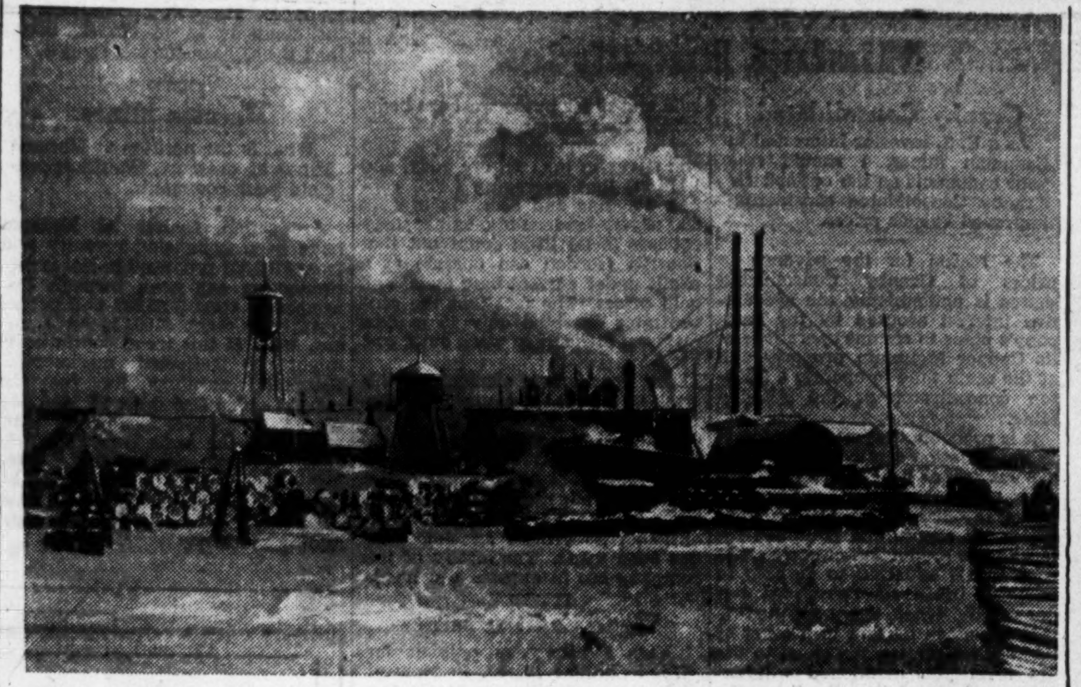
Ontario Market

"During the past year, 1,030,132 tons of Nova Scotia coal were shipped to Ontario. Three years back, shipments to this market amounted to only 150,000 tons, so the increase has been notable. Any enquiry will reveal, however, that Ontario uses each year between eight and nine million tons of bituminous coal comparable to the Nova Scotia product. The bulk of this coal is imported from the coal mines of the United States, chiefly because the cost of transportation handicapped our collieries in competing with the American product. But transportation subventions granted by the Dominion Government have made it possible to sell Nova Scotia's coal in Ontario at a price comparable to that paid for foreign fuel, and it is hoped that the market there will soon absorb one-half the output of our collieries.

"Sale of Nova Scotia coal in Ontario and Quebec is a matter of national importance. The industrialists of Central Canada find an excellent market in Nova Scotia for their manufactured products, and it will be to the mutual advantage of both provinces if a stronger reciprocal trade is developed by Central Canada using more of Nova Scotia's coal. Such a result will do much to further the general welfare of Canada.

Production Rises

"The Government of Nova Scotia has lost no opportunity to stimulate coal markets of the province, and to this end presented a unique display at the Canadian National Exhibition held at Toronto. This display was a full-scale model of an actual working in No. 12 Colliery of the Dominion Coal Company at New Waterford, Cape Breton, and proved to be one of the major attractions at the Exhibition. There is no doubt that this effort to make Central Canada more conscious of our coal industry, and our need of their co-operation through greater consumption of our coal, will have definite result.



DEBUTANTE OF 1936

One of the new 1936 producers is Argosy Gold Mines, a recent general view of whose plant, and fuel oil storage plants, is shown above. Argosy Gold Mines is on Casummit Lake in the Patricia district of northwestern Ontario. The property is being jointly operated by Kenty Gold Mines, Coniagas and Northern Canada Mining Corp. Production started with a 125-ton mill in July. 1936. Millheads are understood to be running around $20 per ton, with costs estimated at $12 per ton, leaving a profit margin of about $8 per ton. At the present time, the mill is handling about 60 tons per day, but will be brought up to the cyanide unit capacity this year, it is expected. Last July, ore reserves were estimated at 71,237 tons, valued at $1,370,000.

Manitou Field May Present 5 Producers

Important Interests Take Stake in Veteran Mining Area

PROSPECTS LISTED

Although there is as yet no recent producer in the Wabigoon-Manitou areas of the Kenora Mining Division, there are five properties in the advanced stages of underground work, some of which are regarded as likely to reach the productive stage within a matter of months. **Big Master Consolidated Gold Mines** has 65,000 tons of $15 ore proved already, so as soon as the workings are carried to 500 ft. by the new management, headed by the R. J. Jowsey interests, the property will be, it is expected, brought to production. This old property was developed to a depth of 285 ft. by early century operators and, when the present company secured it, the shaft was carried on to 350 ft. Recent diamond drilling, drifting and crosscutting has opened up ore rapidly. A new mining plant was recently installed and will be capable of carrying the development to 500 ft., to which depth the new interests plan to go before preparing mill plans. It is likely that a unit of at least 100 tons daily capacity will be installed.

Adjoining Big Master is the **Elora Gold Mines,** managed by Thayer Lindsley and associates. This group takes in the old Jubilee, Laurentian, and Keating properties. A shaft is being sunk to 250 ft. after which two levels are to be established so that an ore body 12 ft. wide, approximately 1,000 ft. long, with average values of $8 may be developed. If the surface and diamond drill indications prove up, the property is regarded as a possibility for 1936 production.

Selby Sinking

Selby Lake Mines is sinking a shaft 250 ft. with a view to opening up two levels and, if surface and diamond drill indications stand up, a mill of 75 or 100 tons capacity will be installed. This company has acquired the Gaffney claims near the Big Master on which a mining plant is being installed under the direction of C. A. Billings who represented the private interests that organized the company after diamond drilling and surface sampling were carried forward.

Tecumseh Gold Mines is working underground on the old Detola mine. The plant has been rehabilitated and the shaft dewatered and retimbered. First results from sampling the old workings, which go down 255 ft., show $16.80, $148 and $116 on the first horizon. An old 100-ton mill is installed. Clark **Gold Mines** has completed installation of a plant and is now enlarging the old shaft from surface to 68 ft. From that point to bottom at 150 ft. all is in good shape. It is proposed, as soon as the enlarging is completed, to continue the shaft to 250 ft. and open up a second level.

Other Prospects

Gaffney Mines is securing some very interesting results from diamond drilling, but full details of 14 holes put down are not yet known. Assays of the first three confirm surface showings which indicate a large tonnage low-grade mine, with a vein 900 ft. long, 17 ft. wide, averaging $7 per ton. If the company is satisfied with the drilling, a shaft will be sunk. **Orareef Gold Mines** is to reopen the old Barker Reef mine. **Maniwobic Gold Syndicate** plans to diamond drill. **Valloc Mines** has a crew at work on surface exploration at the old Queen Alexandria mine while plans are in hand to diamond drill. **Mankirk Gold Syndicate** has been doing surface work. **Mines Development,** with a group of 96 claims, is planning to diamond drill. **Wabic Gold Syndicate** plans to diamond drill this winter. The old Northern Queen mine is being dewatered and sampled by unstated interests. **Robin Hood Mining Syndicate,** on which Consolidated Smelters did some work, is preparing to resume work on its property.

Lancour Drill Gets Results

Lancour Mines has encountered interesting conditions in the first drill hole on its property adjoining Pamour Porcupine in the Porcupine gold area it is reported. The hole is now down 400 ft.

Russia Boosting Gold Production

In Second Place Among World Producers if Figures Correct

While figures from Russia must be more or less conjectural, that country appears to be making tremendous strides in production of gold.

According to estimates of the American Bureau of Metal Statistics estimated world production of gold for 1936 was around 34,797,800 ounces of gold worth $1,217,923,000 at $35 an ounce. Of this amount Russia is estimated to produce 7 million ounces worth $245 millions. Monthly production is reported to have moved up recently to a present output of approximately 600,000 ounces.

These figures give Russia an easy second place among world producers and bring it within 40% of South Africa.

South Africa's output last year has been estimated at approximately 11,319,000 ounces worth approximately $396,165,000 compared with 10,773,991 ounces in 1935.

Production from the United States has been estimated to run 3.7 million ounces' worth $149,500,000 for the first 11 months of 1936. These figures include the Philippine Islands.

MINING and METALLURGICAL EQUIPMENT

All types of special equipment constructed to your specifications.

A Few of our Standard Lines

Vibrating Screens
Akins Classifiers
Thickeners
Agitators
Lowden Dryers
Forgings
Skips
Cages
Buckets
Ore Gates
Castings
Plate Work
Mill and Classifier Regrinding Units

CANADIAN LOCOMOTIVE COMPANY LIMITED

Sales Office: 610 Federal B'dg., TORONTO - KINGSTON, ONT.

Northern Canada Mining Corporation, Limited

Substantial interests are held in two producing mines—

Kirkland Lake Gold Mining Co. Ltd.

Argosy Gold Mines, Limited

The Company is active in examining new properties of merit requiring development and financing.

Head Office
44 Victoria Street, Toronto

THE BRITISH METAL CORPORATION (CANADA) LIMITED
DOMINION SQUARE BUILDING
MONTREAL

BUYERS OF ORES AND CONCENTRATES OF
ZINC
LEAD
COPPER

SELLERS OF "CCR" BRAND NON FERROUS METALS
ELECTROLYTIC COPPER
SELENIUM
TELLURIUM

"CCR" BRAND IS THE PRODUCT OF CANADIAN COPPER REFINERS LTD.

Keeping Pace With MINING

WITH the history of many of Canada's most important mining fields the name of The Royal Bank has been closely interwoven. On February 15th this bank established branches in Quebec at Val d'Or and Arntfield, where a new chapter in the story of Canadian mining is being written. Shortly another branch will open its doors at Lochalsh in Ontario.

At Kirkland Lake, Noranda, Arvida, Sudbury, Thetford Mines and in other areas where the country's mining destiny is being realized, this Bank today maintains branches to serve the needs of Canada's fastest growing industry.

THE ROYAL BANK OF CANADA

Canada Northern Power Corporation, Limited

New Liskeard - - Ontario

Has served the Mining Districts of Northern Ontario and Northern Quebec since their inception.

Its subsidiaries, Northern Ontario Power Company, Limited and Northern Quebec Power Company, Limited are amply equipped through their ten power developments and extensive transmission line systems to continue this great work.

Prompt and reliable service ensured in each of the following mining fields:

Gold Porcupine, Kirkland Lake, Matachewan, Duparquet, Cadillac, Varsan, Dubuisson and Bourlamaque.

Silver Cobalt, South Lorrain and Gowganda.

Copper-Gold Rouyn, Noranda.

MINES DEVELOPMENT CORPORATION

189 ST. JOHN STREET
QUEBEC, P. Q.

Chibougamau North Gold Mining Corporation

(No Personal Liability)
Incorporated under the Quebec Mining Companies' Act

CAPITALIZATION
Shares — $1.00 Par Value

Authorized .... 3,000,000 shares
Issued .... 1,000,000 shares (pooled)
In Treasury .... 2,000,000 shares

DIRECTORS
G. DOUGLAS KELLY, Quebec, President,
President of Roy Chibougamau Mining Company Limited.

SENATOR CHARLES E. TANNER
Pictou, N.S.
Member of Canadian Senate.

SENATOR RUFUS H. POPE, Cookshire, P.Q.
Member of the Canadian Senate and of the Advisory Board, British Empire Finance Committee.

CHARLES BRUYERE,
Customs Broker,
Montreal, P.Q.

J. HENRY POPE,
Montreal, P.Q.
Secretary-Treasurer.

Consulting Geologist, Dr. E. R. Faribault,
Former Chief of Geology Department
of Dominion Government, Ottawa, Ont.

Solicitors
Dupré, DeBilly, Prévost & Home
Quebec, P.Q.

Auditors
McDonald, Currie & Co.
Quebec, Montreal, Ottawa, Toronto.

Of the 2,000,000 shares remaining in the treasury, 900,000 have been optioned. These shares if and when taken up and paid for will return the company a net sum of $290,000.

This public offering comprises 100,000 shares at 30 cents a share.
(The preceding issue has been underwritten)

For further information, address
Room 20, 80 St. Peter St., Quebec, P.Q. Telephone: 2-1525

CHIBOUGAMAU NORTH GOLD MINING CORP.
Room 20, 80 St. Peter St.,
QUEBEC.

Gentlemen:—
Will you please send me, without obligation on my part, information concerning Chibougamau North Gold Mining Corporation?

NAME ....

ADDRESS ....FP

They're All Good
BECAUSE THEY'RE ALL
STELCO

The STEEL-MARK of QUALITY

STELCO Scale-free Pipe is the standby of the plumbing trade. It is clean run and cuts and threads easily—the kind of pipe that builds a plumber's reputation. Available in a wide range of styles, weights and sizes including standard threaded and coupled, grooved for Victaulic Couplings and beveled for welding. Black or galvanized.

Stelco is a major employer of Canadian labor. As a dependable source of raw material for a wide range of general manufacturers it furthers the spread of Canadian employment. All Stelco products are made in Canada—a fact that reflects in their outstanding quality.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON - EXECUTIVE OFFICES - MONTREAL
SALES OFFICES HALIFAX, ST. JOHN, MONTREAL, TORONTO, HAMILTON, WINNIPEG, VANCOUVER
WORKS HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

Mining Enquiries

Granby Consolidated

As a U. S. investor interested in Canadian mines, I should like your comments on the outlook for Granby Consolidated considering improved copper prices.

The reason for the advance in prices of Granby Consolidated shares is undoubtedly the speculative interest aroused by the company's plans to resume operations at its Copper Mountain property and at the same time to operate a 2,500-ton concentrator at the Allenby Mine.

It is probable that market interest in the situation carried the stock to a point where benefits to the company from resuming production, were fully discounted. With current prices for copper and equipped for large scale production of copper, the company is expected to be able to make a profit on operations but apparently what has happened is that the stock market in a burst of enthusiasm carried the stock to the $15 level you mentioned whereas later analysis of the situation may have indicated that the shares were overpriced at that level. The outlook for restored earning power at Granby is, however, better than it has been for some years.

Mining Corp. of Canada

Can you give me a résumé of the activities of Mining Corpn. of Canada. I am interested in holding companies of this type.

Mining Corp. of Canada operates as a holding and exploration company with wide interests in a number of mining enterprises. Earnings, last reported for 1935, came mainly from investments and the sale of assets previously written off. Net profit for that year was $42,000. Working capital increased in the same year. The company's main assets at the present time would seem to be its holdings of Hudson Bay Mining & Smelting Co. but it also has an interest in Ashley Gold Mines where the mill is closed down, a controlling interest in Laguna and a controlling interest in Quemont Mining Corp. which suspended operations in 1930 as a result of low metal prices.

Morris Kirkland Gold Mines

What is the immediate outlook for Morris Kirkland? Please give production figures if possible.

Morris Kirkland Mine started in production on a 100-ton basis in November last. While the period for which this property has been in production is not extensive enough to estimate probable earnings, it is indicated that millheads are running between $8 and $12 per ton. Last December 21, 1926, the first brick was poured and contained approximately 500 oz. of gold and 1,000 oz. of silver for a total value of $17,000, representing approximately a month's run.

Toward the middle of January, a second brick of similar value was poured.

As of September 5, 1936, cash amounted to about $100,000 against $15,000 of current liabilities.

While the comparatively limited amount of development work done on this property makes it still a speculation, the fact that the company's cash position is fairly sound and that it is now in production reacts in its favor.

Texas-Canadian Oil Corp.

Your comments on the prospects for Texas-Canadian Oil Corp. will be much appreciated.

Texas-Canadian Oil Corporation is an oil producing company which holds leases in the east and southwest Texas and in the Wainwright field of Alberta, Canada. The company operates by purchasing drilling rights on prospective oil land for a cash and royalty consideration. The most recent earnings statement covered the first six months of the company's current fiscal year which ends on April 30. For this six months' period, monthly income ran slightly in excess of $50,000. Net income for the six months ended October 31, 1936, amounted to about $306,000 compared with $98,000 for the corresponding period of 1935. Net income from production for October exceeded $59,000. It has been estimated that production for the current fiscal year will be in the neighborhood of $686,000.

Net earnings of approximately $300,000 are officially estimated for the fiscal year ended April 30, 1937, providing proration and the price of crude remains the same.

The company's position has certainly improved considerably in the past year or so. Currently higher prices for crude have brightened the outlook for this company.

Denison Nickel Mines

I am interested in the progress of Denison Nickel Mines. Will you please publish the latest information you have on this property?

Denison Nickel Mines is apparently well financed and is pushing development on its property in Denison Township. As yet no underground work has been done, and the property still remains a prospect, and the stock a speculation. The affairs of this company appear to be in the hands of experienced men. Its success as a nickel producer depends almost entirely on what conditions are underground. This can only be ascertained by extensive work.

Sherritt Gordon Mines

In view of the recent rise in base metal prices I would appreciate an opinion on the outlook for Sherritt Gordon Mines, in which I am interested.

Sherritt Gordon Mines Limited has, in conjunction with other base metal stocks, reflected sharply in recent months, the generally improved outlook for these metals. This company's property consists of about 5,500 acres in the Gold Lake district of northern Manitoba which is equipped with a 1,000-ton concentrating plant which operated only 15 months prior to suspension of operations in June, 1932, owing to a decline in copper and zinc prices. Last April, however, development work was resumed.

Latest estimates of ore reserves show over 3,900,000 tons averaging about 2½% copper and 60 cents in gold and silver in the west ore body, 866,175 tons averaging to .14% copper, 5.78% zinc and 70 cents in gold and silver in the east ore body, and 1,116,500 tons averaging 1.40% copper, 8% zinc and 86 cents in gold and silver. Under these values there appears to be little doubt but that Sherritt Gordon can operate at a profit under current base metal and gold prices. The fact that the concentrator operated only 15 months makes it difficult to work out a cost basis.

The speculative element in this stock has to do, of course, with the future of copper and zinc prices. General industrial improvement seems to indicate that the latest price moves are on firm foundation and that production will eventually be resumed at Sherritt Gordon, although no official announcement has been made. The affairs of this company are in experienced hands.

Wood Cadillac Mines

May I ask your opinion on Wood Cadillac Mines? In view of activity in Cadillac what are the prospects for it?

Diamond drilling in process at Wood Cadillac is in progress with a view to determining the character of the structure.

To date the company is believed to have a mineralized zone of over a mile in length on its eight claims in the Cadillac section and the property seems to be one holding possibilities of promise although its exact ore possibilities cannot be determined until underground lateral work is commenced.

The company appears to be amply financed for its current programme. The whole operation would seem to be an interesting prospect but the market trend of the stock should logically depend on what results are obtained from the current drilling programme and the results of subsequent underground work.

Rahill Red Lake

Please give me some information on Rahill Red Lake Mining Co. What is the outlook for this property?

Rahill Red Lake Mining Company is developing 17 claims which it owns outright and two others on which it owes $7,000, in the Red Lake District, two miles north of the Howey property. Diamond drilling has been done and surface exploration carried out with encouraging results and at last reports shaft sinking had started with a mining plant capable of taking the shaft to 500 feet. The property appears to be receiving a good test of its possibilities under capable management. We have no details of its financial position, however.

Hudson Bay Mining and Smelting Co.

As I am interested in base metal stocks, please analyze for me Hudson Bay Mining and Smelting Co.

Hudson Bay Mining & Smelting Co. has, in common with other Canadian base metal producers, considerably improved its earnings outlook over the past year, due, of course, to higher base metal prices. The company is fortunate in having a variety of products, including copper, zinc, gold, silver, selenium, tellurium and cadmium. In the fiscal year ended December 31, 1935, this company earned $1.17 per share and paid $1 in dividends. 1936 earnings will undoubtedly show distinct improvement and while dividends remained in 1936 at $1 per share these increased earnings will doubtless have some bearing on dividends during the current year.

Briefly, the future trend of this stock depends obviously on the metal market which in turn depends on general industrial recovery. In the meantime the company is in sound hands, has a strong financial position, and has ore reserves estimated at around 25 million tons averaging over $9 per ton at current metal prices.

Pickle Crow - Ventures

I am attracted by the possibilities of Pickle Crow and Ventures, and would like a comparison of these stocks.

Pickle Crow which is one of the newer mines and paying a dividend to its shareholders, has recently met with quite favorable development results underground and its milling operations are being conducted at a profit. Ventures is an entirely different type of company and while it, like Pickle Crow, enjoys good management, its interests as a holding company embrace a number of different mining enterprises and investments. The company is paying a dividend and last November declared a dividend of 2½ cents a share in addition to the 2½ cents already declared for January 2, 1937 to shareholders on record on December 15, 1936. In the case of Pickle Crow it may be, of course, that the market has already discounted much of the company's very favorable progress to date but recognizing the essential difference in the character of the two companies, one of which is entirely an operating concern and the other a holding company, they both can nevertheless be regarded as reasonably attractive mining investments of their kind.

Big Missouri Mines Corp.

Will you please give me an outline of the prospects for Big Missouri Mines Corp.?

Big Missouri Mines Corp. is operating as a holding company and its chief interest is a 40% shareholding in Buena Vista Mining Company. The latter holds a gold prospect being developed under the direction of Consolidated Mining and Smelting Company which owns 60% of the stock.

A report issued recently by the president of Big Missouri stated that the private tunnel to a mill excavation underground has been completed. It is intended to have a 500-ton mill which may be increased to 750 tons, installed underground in an excavation extending approximately 200 feet below the 2,300-ft. tunnel from the Salmon River side of the property. Power will be provided by a hydro electric plant now under development.

Drilling and other work has produced encouraging gold values and tonnages. The earnings outlook for the company is, of course, better than it has been for some years.

Macassa Mines

What is the position at Macassa Mines at present? Would appreciate your comments.

Production figures at Macassa have been increasing recently and from $102,801 produced in November production has risen through December to total $105,562 and subsequently to reach $106,336 for January, 1937. If this trend continues it might be reflected marketwise. Estimated earnings for the six months ended December 30, 1936, are placed at $253,961 compared with $174,607 in the same period of 1935. Here you will see that there is an influence pending toward strengthening of the stock. Officials are men of unquestioned standing in the mining industry.

AUSTIN AIRWAYS
LIMITED

SERVING
MINES
INDUSTRY
PHOTOGRAPHY

—BASES—
Winter Base:
Toronto Flying Club.
HUdson 7233

Sudbury Lake Front
(Lake Ramsay)
Phone 194

INTERNATIONAL MINING CORPORATION
(CANADA) LIMITED

Financing, Development, Exploration
and Operation of Mines

85 RICHMOND STREET WEST, TORONTO

EXPLOSIVES

• Photo taken on dock at Gold Pines head of Lacseul, Argosy Gold Mines—photograph courtesy Canadian Airways Limited.

HANDLING AND . . .
STORING EXPLOSIVES

While explosives are dangerous when abused, they are safe to handle when treated with due respect for their properties. Carelessness and rough handling are likely to cause explosions and accidents.

Any person having occasion to handle or use explosives should familiarize himself with all provincial and local regulations and comply with them.

Attention also is called to the Explosives Act of 1920. This Act applies to the whole Dominion and copies can be procured by applying to the Explosives Division, Department of Mines, Ottawa.

In handling explosives reasonable care should always be taken. Do not let "familiarity breed contempt".

C-I-L explosives are available for every type of mining operation and magazines are maintained across the Dominion to render a fast service to you. Our Technical Department is ready to assist you on any problem relating to blasting operations.

CANADA
Leads the World

IN 1935 Canada flew approximately four times as much freight as the United States.

Airways are rolling back Canada's frontiers and mining activity in the North in 1935 furnished these airways with sufficient volume to establish Canada, on a per capita basis, as the leading nation of the world in air mileage flown, passengers carried, freight transported and air mail handled and flown. Freight flown, 16,000,000 pounds; Passengers carried, 120,000; Mail flown, 1,000,000 pounds.

ET-4

CANADIAN INDUSTRIES LIMITED
EXPLOSIVES DIVISION
HEAD OFFICE MONTREAL
C·I·L

Shiningtree Area Gives Good Results

Attempt to Revive Old Field Meets With Success

JUSTIFIES WORK

Though the area has produced very little gold, the West Shiningtree district is among the oldest gold-bearing regions discovered in Northern Ontario, having been originally brought to public notice about two years after the discovery of Porcupine. From time to time it has witnessed more or less activity in exploration and development, and operators in the area are confident that despite the lack of spectacular achievement such as has marked Little Long Lac, Red Lake and the Patricia district, and other recent developments the West Shiningtree territory will yet be numbered in the regular gold-producing list.

West Shiningtree lies about 60 miles due north of Sudbury and about 20 miles west of Gowganda. Includes a block of four townships, Churchill and MacMurchy on the north and Asquith and Fawcett on the south. A 20-mile motor road connects Westree station on the Canadian National Railway with West Shiningtree village and also extends into the main developing area.

Development

The years 1935 and 1936 saw determined efforts to bring development of the area to a point where productive stage might be considered. **Shinintree Gold Mines** was formed to develop the Bennett claims, situated in the south part of MacMurchy Township, on the east side of the Montreal River, where a shaft had been sunk to 50 ft. in 1912. This operation was carried out on a shear zone in greenstone, and some spectacular ore was revealed. Shinintree Gold Mines resumed sinking of the shaft, continuing it to a depth of 100 ft. with hand steel, and the vein is said to have continued in the shaft for that distance. Some drifting was done in both directions along the vein, but last year the work was suspended on account of lack of finances. Meanwhile the company had made a tentative contract with **Kingston Mines,** owning the Kingston property adjoining, providing for the merging of the two properties, which, it was thought, could be developed economically. Development work had also been done on the Kingston, between the years 1920 and 1926, when two small shafts were sunk and a quartz vein traced by trenching and diamond drilling for a distance of about 1,200 ft. There has been no official announcement as yet of the final consummation of the deal between the two companies, and the properties at the moment are idle.

Ronda Meets Encouragement

Last year, **Ronda Gold Mines** was formed and took over the **Neville Canadian Mines** under a share distribution plan, the division, it was understood, to be about seven Ronda for 10 Neville. This was the old Wasapika Ribble property, comprising 240 acres in MacMurchy. Ronda proceeded with active development, extending the drifts on the second and third levels. In enlarging the sphere of activity, it was decided to undertake some diamond drilling from the third level, and to sink a three-compartment shart from that level to a depth of 500 ft. A new Diesel engine and compressor have recently been installed for the larger scale operation. In exploration at the 300-ft. level a new vein was reported, well mineralized. Mark Little is consulting engineer for the company.

Bilmac Gold Mines, at present actively engaged in development, is a consolidation of the White Rock, the Atlas, one claim of the William McVittie estate, and two claims formerly owned by Harvey Kirkland. Active development work started in 1935 and with the exception of a brief suspension has been carried on since. Underground work at present is continuing on the Saville vein, and on the 170-ft. level has made considerable progress, with free gold in evidence, according to official reports. Previous to the amalgamation, an 87-ft. shaft had been sunk on the Atlas, and development on the White Rock consisted of a main shaft 175 ft. deep and another about 1,000 ft. to the north, 40 ft. deep. Bilmac is now operating from the White Rock workings.

Lake Caswell Expanding

Lake Caswell Mines, operating the old Champion Reef, has been expanding the work done by the latter company during the years 1926-1933. Development work consists of two shafts, 75 and 500 ft. deep, an open cut, together with considerable diamond drilling, and surface work.

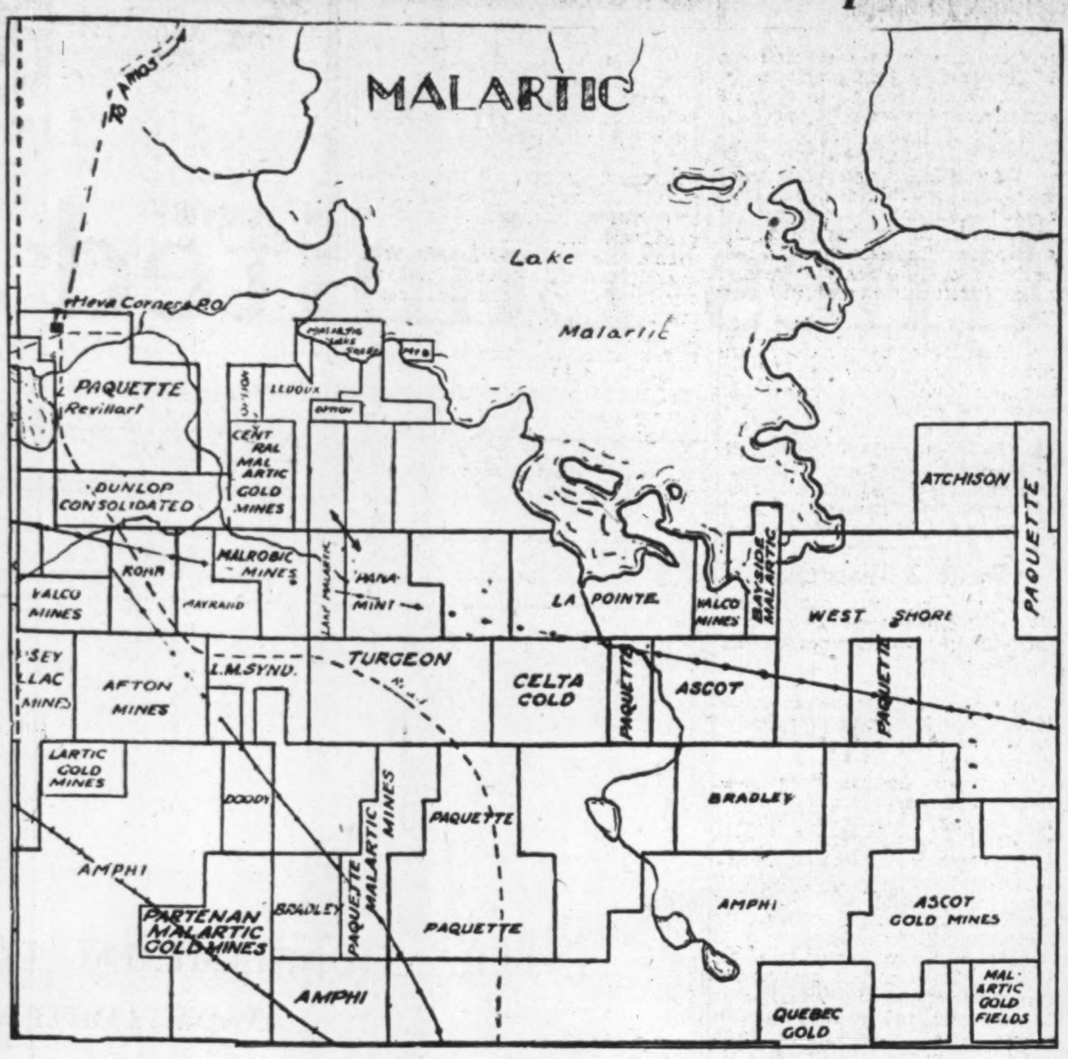
While not actually in the West Shiningtree area, as outlined, an interesting development has recently resulted in Connaught township, immediately to the west of MacMurchy township, where **Roche Long Lac Mines** has opened a vein disclosure on the surface for a distance of 3,000 ft., and is reported to have secured encouraging values by test-pitting. The vein is stated to be from 3½ to 7 ft. wide, well mineralized and fractured, and has yielded good assays in gold and some silver. Roche has a force of men engaged in exploring the discovery and has awarded a contract for diamond drilling. Other companies and field men have been attracted to the area, and it is expected that the immediate district will witness considerable activity during the coming spring and summer.

Altogether, current operations are providing much in the way of encouragement, and if gold values found on surface and at shallow depths persist to lower horizons, West Shiningtree and the near-by area may yet justify the faith that many mining men have displayed in it for years past.

Cariboo Output

Cariboo Gold Quartz in Cariboo mining division, B.C., reports January production of 1,995.89 fine oz. from 6,312 tons milled, and a further 1,161 fine oz. resulting from ball mill clean-up. December output was reported at 2,265 oz. from 6,422 tons milled.

Quebec's Malartic Township



650-ft. Vein Established At Porcupine Triumph

Porcupine Triumph Gold Mines has established by diamond drilling a vein shearing length of 650 ft. to a maximum drilling vertical depth of 500 ft., according to President J. A. Thomas. This south Deloro twp. property has encountered the main vein at shallow depth in the shaft. Bulk samples assayed $22 per ton and at 15-ft. depth seven channel samples gave average value of $14.40 a ton. Yet to be explored are 1,400 ft. of the mineralized zone southwesterly along the line of strike.

Halliwell Treasury In Sound Position

Current assets totalling $302,412 against current liabilities of $17,771 are shown in the balance sheet of Halliwell Gold Mines as of Dec. 31, 1936. Of the authorized capitalization of three million shares, $1 par value, the report shows 2,558,517 shares issued. During January, further amounts of treasury shares have been purchased, The Financial Post is informed and the treasury position has been further improved.

At the number one zone, the main zone, shaft sinking is proceeding regularly at the rate of over five feet a day and the shaft is now down to 150 ft. The objective is a depth of 450 ft.

Central Cadillac Drilling and Sinking

Central Cadillac Gold Mines, working in Cadillac twp., Quebec, has completed 3,000 ft. of diamond drilling and sunk a shaft to 225 ft. with stations out at the 100- and 200-ft. levels. Hole No. 2 is reported to have given values from $4.48 to $74.29 per ton over commercial widths. The company has bought an additional claim of over 75 acres adjoining Kewagama Gold Mines.

Renew Youth At Rainy River

Old Area Now Has Many Interesting Developments

Although little is ever in print about developments in the Rainy River District of Northwestern Ontario, the possibilities of the area cannot be passed over lightly, for many interesting indications have been opened up in recent years while many of the early century operations still have important chances.

Led by the interest being displayed by Ventures Ltd., considerable activity is at present centred particularly at Mine Centre while, at Shebandowan Lake, in the Thunder Bay District, not far distant, **International Nickel** is working extensively, although word of developments never reaches print. Ventures has been interested in chances at a number of properties and is believed to be particularly impressed with the McKenzie Grey group where an aggressive development programme is planned on a vein 700 ft. long, seven ft. wide and showing average values of $10. **Elizabeth Mines** is preparing to go underground to dewater the old shaft and resume active lateral work. At **Olive Gold Mines** three shifts are working daily installing a complete plant, covering in the headframe and resuming work in the old shaft. **Upper Seine Gold Syndicate** is preparing to go underground in the old shaft which is down 275 ft. This is being dewatered and the shaft recollared, while a new headframe is being erected. **Rebair Gold Syndicate** is installing a mining plant so as to open up the old shaft and develop two surface showings that have been traced for 800 and 1,000 ft. respectively.

The **Decca Chemical Co.,** of the U. S. A. is making a survey of the old Decca, Golden Crescent and Manhattan groups with a view to lining up an active campaign of work. **Orelia Mines,** which has acquired the old Golden Star and **Seine River Gold Mines** properties, has been sampling the old dump and is preparing to dewater the old 550-ft. shaft and resume lateral work. A diamond drill is being delivered to the Inez Louise group where surface exploration has opened up nine veins. Diamond drilling is planned by New York interests on the old Dinosaur group, while work is planned to be done on the Lucky Coon mine shortly. **Hollinger Consolidated** has examined the old Black Fly. The old Foley has been reopened and some work is being done.

At Shebandowan Lake three diamond drills are being operated full time by the **International Nickel Co.,** which has completed possibly 25,000 ft. of this type of exploration during the past eight months. If success is secured there is a likelihood of shaft-sinking seen. As a result of Inco entering this sector, considerable of a staking rush was seen last summer and many groups of claims staked. Some of these will be active when spring arrives. **Pal Exploration Co., Shebandowan Basin Mining Syndicate,** and **Millar Minerals Exploration Co.** have groups adjoining Inco's option.

Shebandowan is also known for its gold possibilities, with the Ardeen mine here being the first find of importance in Northwestern Ontario back in 1871. This operation has not been particularly successful to date, but a reorganization is now being effected to make another try. A new gold find made in the fall precipitated considerable of a rush, with such companies as **Coniagas, Ventures, Birch Bay, Hennessy Bros., Prospector's Airways** and **Kenogamisis Syndicate** in the preliminary prospecting. Some of these have staked so that plans are in hand for considerable activity when the snow leaves the ground. **Gitchie Syndicate** is working on the original find.

THOROUGHBRED QUALITY RUBBER PRODUCTS

Proven in service . . . rugged . . . dependable . . . wear-resisting, G P Rubber Products cut costs—increase efficiency. Install "Duraflex" Transmission, "Superex" Conveyor Belting, and other Gutta Percha units. Check with your nearest G P Branch.

WESTERN BRANCHES: EDMONTON, SASKATOON, VANCOUVER, REGINA, VICTORIA, CALGARY, WINNIPEG
GP QUALITY
EASTERN BRANCHES: ST. JOHN, QUEBEC, MONTREAL, TORONTO, LONDON, HALIFAX

GUTTA PERCHA & RUBBER, LIMITED
WRITE, CALL OR PHONE YOUR NEAREST BRANCH

EXPERIENCE - COMPETENCE
SOLVABILITE - IMPARTIALITE

La réputation enviable de notre maison repose sur ces quatre piliers.

RACINE & CIE
505, PLACE D'ARMES
MONTREAL

Membres:
Toronto Stock Exchange
Canadian Commodity Exchange

Tél. BElair 1711

DOSCO

From One Mine to Another . . .

Dosco products, so extensively used in Canadian Mines, can truly be said to come "from one mine to another". Dosco operates its own ore and coal mines; manufactures the steel; and fabricates the finished product — single control of material and manufacture that ensures uniform dependable quality. When ordering steel products specify Dosco.

DOSCO
RE-INFORCING BARS
Billet or rail steel

Manufactured at various plants and at the Peck Rolling Mills Division of the Corporation for close to a century. Plain and deformed rounds, plain, twisted and deformed squares in mild, intermediate and hard steel grades.

DOSCO
NUTS, BOLTS, RIVETS
WASHERS, NAILS, SPIKES

If they're Dosco made you can be sure they are thoroughly dependable — steadfastly "taking the strain" under all conditions of service. Dosco nuts and bolts are true, clean and accurately threaded. Always specify "Dosco" when ordering from your supply house.

DOSCO
SECURITY
CHAIN LINK FENCING

Built for heavy duty and long life. Presents an impassable barrier to trespassers, no obstruction to vision. Heavily galvanized after weaving to prevent rust. Weights and sizes to suit every purpose. Erected by our expert crew anywhere.

DOMINION NOVA SCOTIA COAL

A low cost highly efficient bituminous fuel used by every class of industry throughout the Maritime Provinces and Quebec and by a large and rapidly increasing number of the leading mines and industrial organizations in Ontario.

DOMINION STEEL & COAL CORPORATION LIMITED
Executive and Sales Offices - Canada Cement Bldg., Montreal

PROVINCE OF QUEBEC, CANADA

Department of Mines and Fisheries
Bureau of Mines
HONOURABLE ONESIME GAGNON, Minister

Mineral Production of Quebec

The principal items in the list of Mineral products from Quebec mines and quarries in 1936 are: Gold, Copper, Lead, Silver, Selenium, Zinc in the **Metallic** group. Asbestos, Magnesite, Feldspar, Ochres in the **Non-Metallics.** Cement, Clay products, Limestone, Granite, Marble in the **Building materials.**

Ten years growth in the total value of Annual Mineral Production of Quebec, 1926-1936 (in Canadian dollars)

Year	Metals	Non-metals	Building Materials	Totals
1926	$ 1,897,528	$10,837,745	$13,004,829	$25,750,463
1930	13,926,682	9,322,151	17,909,907	41,158,740
1934	19,250,094	5,985,569	6,157,089	31,310,752
1936*	30,500,000	11,000,000	7,000,000	48,500,000

* Figures for 1936 in part estimated.

NOTES

The development of Metal mining in the Province of Quebec is well illustrated by the figures in the first column. The main item is Gold, which increased from $76,070 in 1926 to $23,000,000 in 1936. Copper figures for 1936 are $6,250,000.

In the Non-metallics asbestos figures for nearly $10,000,000 in 1936. In importance it is second to Gold only.

The Building materials are lagging behind the other two classes, and they are still far from the high figures of 1928-1931. It is only a temporary effect of the years of economic depression.

The Quebec Bureau of Mines issues yearly Reports on the Mining Industry and geological reports and maps. These can be obtained free of cost, in English or in French, on request addressed to: **THE DIRECTOR, BUREAU OF MINES, QUEBEC, CANADA.**

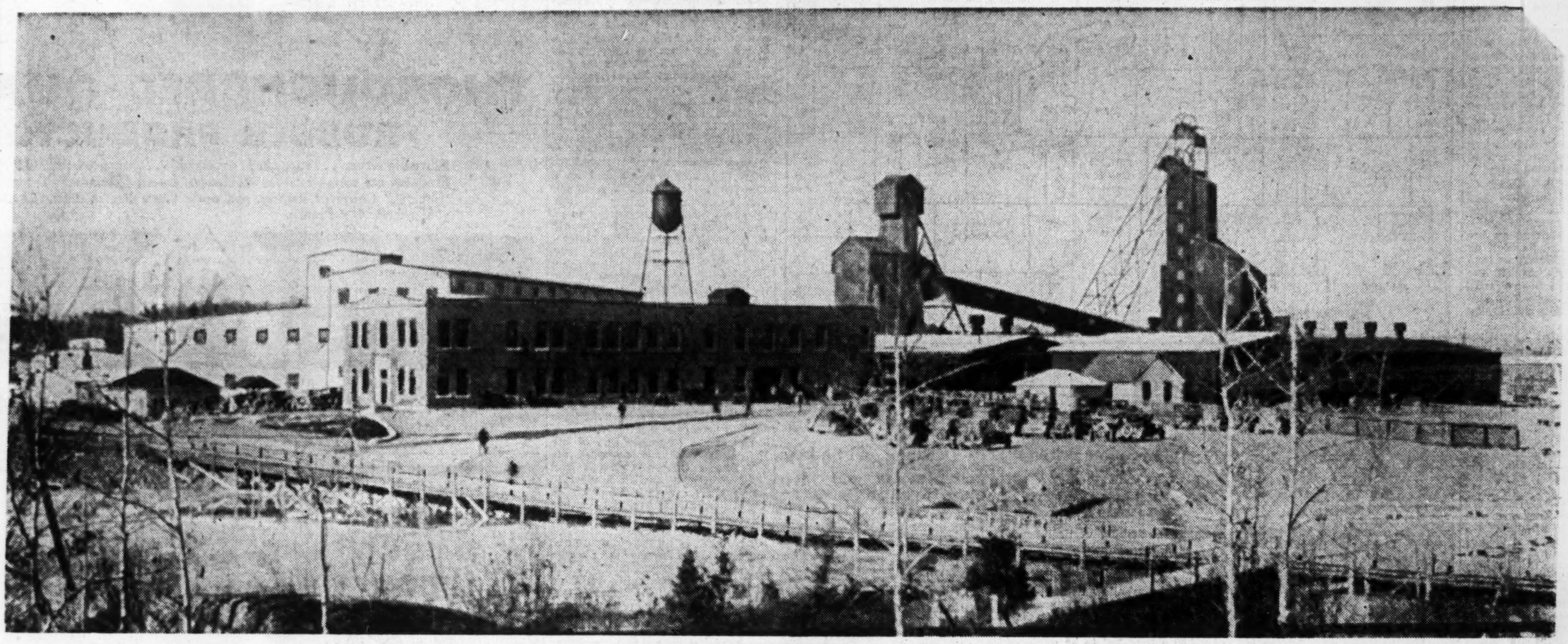
Electrical Apparatus of Quality

E C·C·W

MOTORS
STARTERS
GENERATORS
SWITCHBOARDS
TRANSFORMERS
CIRCUIT BREAKERS
DISCONNECTING SWITCHES
A.C. ELECTRIC ARC WELDERS
DIESEL ENGINES
CONVERTING PLANT
ELECTRIC TRACTION
REGULATORS
METERING OUTFITS
CAPACITORS

ENGLISH ELECTRIC
COMPANY OF CANADA, LIMITED
AND ITS SUBSIDIARY
THE CANADIAN CROCKER-WHEELER CO. LIMITED
MAIN OFFICE AND FACTORY: ST. CATHARINES, ONT.
DISTRICT OFFICES: TORONTO, MONTREAL, VANCOUVER and NELSON, B.C.
Represented by
GORMAN'S LIMITED EDMONTON
MACKAY-MORTON LIMITED WINNIPEG

Lake Shore Mines Limited



As the recently issued annual report of Lake Shore Mines Limited shows, the company has spent since production started in 1918, $20,887,359, for supplies and equipment and has paid a further $20,000,000 in wages.

The payroll for the last fiscal year ended June 30th amounted to approximately $2,500,000.

Supplies purchased during the same period amounted to $2,300,000, of which more than was produced or manufactured in Canada.

Taxes, Dominion, Provincial and Municipal, we estimated at over $1,600,000 during the same year.

To evaluate the contributions made to Canadian industry in general by Lake Shore Mines Limited, a list of some of the supply purchases made between 1918 and 1936 follows:

Explosives	**$ 1,682,730.00**
Lumber and Timber (83% Local)	**2,061,156.00**
Rock Drills and Parts	**657,198.00**
Pipe and Fittings, Plumbing Supplies	**576,344.00**
Electrical Supplies	**852,812.00**
Mill Supplies	**2,759,481.00**
Machinery and Parts	**3,672,029.00**
Building Materials	**612,043.00**
Fuel	**396,248.00**
Steel Products	**1,513,301.00**
Oils and Lubricants	**224,757.00**
Groceries	**580,247.00**
Trucks and Cars	**63,611.00**
Miscellaneous	**1,378,534.00**
Backfill	**462,536.00**
Power	**3,394,332.00**
	$20,887,359.00
Freight and Express included in above materials	**1,555,750.00**

Head Office and Mine Office

KIRKLAND LAKE - - ONTARIO, CAN.